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## Southeast Asia Report

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21 February 1985

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AUSTRALIA

REACTION TO COOPERATION IN U.S. MX PROGRAM

Victoria Laborites to Oppose Test

BK030631 Melbourne Overseas Service in English 0430 GMT 3 Feb 85

[Excerpt] The Victorian branch of the Labor Party has joined in the opposition to the Federal Government's decision to provide limited assistance in the monitoring of long-range MX missiles fired by the United States. At a press conference in Melbourne today convened by the organization People for Nuclear Disarmament, the ALP [Australian Labor Party]'s Victorian branch president, Mr (George Crawford), condemned the Federal Government's decision and pledged that the branch would work to overturn it.

A prominent left-wing federal member of Parliament, Mr Gerard Hand, at the same meeting said he would conduct a telephone conference with Labor MP's in all states tonight to plan opposition to the government's stand.

Groups of left-wing MP's in New South Wales and South Australia had earlier condemned the decision as against the Labor Party's policies for a freeze of nuclear weapons production and a nuclear-free South Pacific.

Groups Plan 'Major Protest'

BK030852 Melbourne Overseas Service in English 0830 GMT 3 Feb 85

[Text] Antinuclear groups have announced plans for a major protest campaign against the Federal Government's decision to provide limited assistance in the monitoring of long-range MX missiles fired by the United States.

Details of the campaign were announced at a news conference in Melbourne today attended by politicians, church leaders, and union representatives. A spokesman for the organization, People for Nuclear Disarmament, said there would be major rallies on 31 March in all major capital cities. He said leading up to that would be widespread demonstrations, public meetings, letter-writing campaigns, and deputations to members of Parliament to make clear that the missile decision would not be tolerated by the community.

The defense minister, Mr Beazley, said on Friday that the government had agreed to provide refueling facilities for American aircraft monitoring



unarmed MX missiles, which would splash down in international waters off the east coast of Tasmania.

Meanwhile, a spokesman for Mr Beazley has said that a statement of clarification will be issued today on a report that Australia's assistance in the testing of MX missiles would require the provision of port facilities for an American ship as well as aircraft refueling.

The report, published in a Canberra newspaper today, says that Australia's role also will involve the transmission of test data to the Pacific missile test center in the United States via communications facilities in Australia. The report is based upon what is reported to be a secret Pentagon study of strategic systems testing requirements.

#### New Zealand Minister on MX Tests

BK030920 Melbourne Overseas Service in English 0830 GMT 3 Feb 85

[Text] A visiting New Zealand Government minister said today she could not imagine New Zealand ever agreeing to cooperate in the testing of American MX missiles. Mrs Margaret Shields, New Zealand's minister for consumer affairs and customs, also said her country remained firm on refusing to allow nuclear-armed ships entering New Zealand ports.

She told a press conference in Melbourne that the ANZUS defense treaty would not break down because of her government's policy on nuclear ships. Mrs Shields said she hoped New Zealand's ANZUS partners would appreciate the New Zealand position and recognize that ANZUS was not a nuclear treaty.

CSO: 4200/483

AUSTRALIA

REACTION TO NEW ZEALAND BAN ON U.S. NUCLEAR SHIPS

Hawke Travels to Washington

HK030033 Wellington Overseas Service in English 0010 GMT 3 Feb 85

[Text] Australian Prime Minister Bob Hawke has left on an overseas tour, which includes a visit to Washington, where the ANZUS treaty will be the major topic of discussion. Mr Hawke is expected to come under pressure from the Reagan Administration to intervene in the dispute between New Zealand and the United States over nuclear ship visits. Australian newspapers have speculated that he won't agree to such a role.

Meanwhile, American Defense Department officials have repeated the ANZUS treaty could be in serious jeopardy if New Zealand stands firm in rejecting warship visits. The State Department said the United States is still waiting for a definitive reply to a request that a warship be allowed to call at a New Zealand port next month. The officials held out prospects that although new Zealand might reject a March visit in order to make a political point, future calls might be allowed.

Peacock Urges Solution

BK011107 Melbourne Overseas Service in English 0830 GMT 1 Feb 85

[Text] The federal opposition leader, Mr Peacock, has urged the prime minister to find a solution to the difficulties within the ANZUS defense alliance caused by the New Zealand Government's decision to ban nuclear ships from its ports.

Mr Peacock said if this was impossible, Mr Hawke must move to ensure that ANZUS, which currently links Australia, New Zealand, and the United States, was retained in a bilateral form.

The opposition leader said the government had known for some time about the problem with United States ships and ANZUS, but because of factional disagreements within the Labor Party, it had done virtually nothing to protect Australia's interests in the treaty.

## Support for New Zealand Ban

BK011105 Melbourne Overseas Service in English 0430 GMT 1 Feb 85

[Text] The leader of the Australian Democrats, Senator Chipp, today foreshadowed the introduction of a private members bill to ban visits to Australian ports by nuclear ships.

Speaking during a radio interview, Senator Chipp said he would introduce a bill in the Senate as soon as the parliamentary session resumed later this month.

He praised the New Zealand Government's ban on port visits by nuclear vessels and criticized the Australian Government over its reaction to the ban.

In a letter to the New Zealand prime minister, Mr Lange, last month, Australia's prime minister, Mr Hawke, said Australia could not accept as a permanent arrangement that the ANZUS defense alliance had a different meaning and entailed different obligations to different members. ANZUS links the United States, New Zealand, and Australia.

Left-wing members of the federal parliamentary Labor Party yesterday sent a message of solidarity to Mr Lange, supporting his stand against visits by nuclear ships.

The meeting in Canberra of 24 left-wing MP's also endorsed a comprehensive draft treaty for a nuclear-free zone in the South Pacific.

CSO: 4200/483

AUSTRALIA

KERIN ON EEC'S 'ECONOMIC LUNACY' POLICIES

BK301017 Melbourne Overseas Service in English 0930 GMT 30 Jan 85

[Text] The federal government has strongly criticized what it calls the economic lunacy of the agricultural policies of the European Economic Community. The primary industry minister, Mr Kerin, says that in the light of this, there is little the government can do to help farmers. However, Mr Kerin says the government will continue to be unrelenting in opposing policies of agricultural subsidizing and protection.

Mr Kerin made his remarks in officially opening what is regarded as Australia's agricultural summit--the annual outlook conference--convened by the Bureau of Agricultural Economics. He said the latest estimates by the bureau for this financial year was for a drop in the overall volume of rural production of 2 percent. The gross value of product will be down by 1 percent, and the index of prices will be up by 2 percent. Mr Kerin said the real net value of rural production was expected to decline by 17 percent mainly as a result of what he termed the weak, if not disastrous, international commodity prices. He said the overwhelming problems of the general international trading environment would remain on the top of the government's agricultural agenda.

The primary industry minister said he would accompany the prime minister, Mr Hawke, on his trip to Europe next week and would also meet the British minister for agriculture, Mr Jopling, in London. Talks were also planned with the Soviet Union and the United States. However Mr Kerin said demands by Australian farmers for financial assistance could not be met if the government was to continue to fight inflation while stimulating growth and holding down the budget deficit.

CSO: 4200/483

AUSTRALIA

PACIFIC STATES KEEN ON BOAT PROJECT

Kuala Lumpur ASIAN DEFENCE JOURNAL in English Nov 84 pp 113, 114

[Text]

There is "strong interest" in the Pacific Patrol Boat Project by the five Pacific countries — Papua New Guinea, the Solomon Islands, Tonga, Vanuatu and Western Samoa. Australia's Minister of Defence, Mr. Gordon Scholes said recently that the five states have decided to participate in the development of a purpose-designed boat to help establish effective means of national surveillance and enforcement of their Exclusive Economic Zones.

At the recent South Pacific Forum in Tuvalu, Prime Minister Hawke said his government had issued the Request for Tender for the Pacific Patrol Boat Project. The tender documents had been sent by the Defence Support Department to thirteen Australian companies selected in May to tender for construction of the boat. The tender exercise closes on November 14. The boat is to be provided under the Australian Defence Cooperation Programme for the security of the South Pacific region.

It was intended that the Pacific Patrol Boat be built to commercial rather than military standards to contain costs and to ensure, to the maximum extent possible, that it can be supported by commercial supply and repair organisations already established in the region. The basic design philosophy is that the boat

should be easy to operate, simple to maintain and cheap to run.

In order to support the vessel, participating countries will provide local infrastructure (wharves, buildings) and, where necessary, they will have maintenance and management personnel and communications systems. These steps will assist the development by participating countries of national maritime surveillance systems, Mr. Scholes said.

"The RAN has recently conducted in-country studies in the Solomon Islands, Vanuatu and Tonga to help identify local requirements. A similar study will be undertaken in Western Samoa in the near future."

The project is seen by the government as an important opportunity for Australian industry to participate in a project which would play an important role in the development of the island nations, and at the same time provide work, help maintain skills in the Australian ship building industry, and create opportunity for further sales.

The Government was also interested in examining the practicability of modernising a number of Attack Class patrol boats for inclusion in the Pacific Patrol Boat programme. Separate RFT documentation would be issued for this examination in the near future.

CSO: 4200/487

AUSTRALIA

BRIEFS

HU YAOBANG TO VISIT 13 APR 85--The general secretary of China's Communist Party, Mr Hu Yaobang, is to pay a good-will visit to Australia in April. The prime minister, Mr Hawke, says Mr Hu will be in Australia for 6 days from 13 April and will visit Western Australia, New South Wales, and Canberra. Mr Hawke said it would be an important event in the relationship between Australia and China. He said it would enable a continuation of the broad-ranging discussions he had had with the Chinese leadership during his visit to China a year ago. Mr Hawke said the issues of regional security, disarmament, and arms control and East-West relations could be expected to feature prominently. [Text] [Melbourne Overseas Service in English 0430 GMT 1 Feb 85]

FRENCH AGRICULTURE MINISTER--The French minister for agriculture, Mr Michel Rocard, has had talks in Canberra with Australian Government ministers and trade officials. The French minister yesterday met Australia's foreign affairs minister, Mr Hayden, and today had talks with the minister for trade, Mr Dawkins, and the minister for primary industry, Mr Kerin. Mr Rocard's visit comes only 4 days before the prime minister, Mr Hawke, is due to meet the new president of the European Commission, Mr Jacques Delors in Brussels. Mr Rocard and Mr Hawke met yesterday although neither was available for comment afterwards. Mr Hawke is due to leave Australia on Saturday on a tour to Europe and the United States. [Excerpt] [Melbourne Overseas Service in English 0430 GMT 30 Jan 85]

CSO: 4200/483

CAMBODIA

SIEM REAP PROVINCE SITE OF DEVELOPMENT, USSR-PRK COOPERATION

Moscow IZVESTIYA in Russian 7 Jan 85 p 5

[Article by IZVESTIYA correspondent Yu. Gatselyuk: "Under the Banner of Freedom"]

[Excerpts] Siem Reap is a province whose economy is based completely on agricultural production; there is practically no industry here. Farming, fishing and animal husbandry are the basis of its development. Siem Reap is also one of Cambodia's border provinces, most often experiencing provocative surprise attacks from Thailand and various bandit groups who find refuge on its territory.

"Armed provocations against the PRK are carried out practically every day," said (Khao) Thongkour, a member of the provincial people's committee of Siem Reap. "The Pol Pot supporters who manage to penetrate Cambodia behave badly, they kill and rob the population. However, recently, in the enemy camp they are beginning to think about our successes, which, in spite of everything, are increasing, and the fact that nobody here supports the Pol Pot men. Last year more than 1,500 'formers' came to us with guilt, having decided to begin a new life."

The traces of the Pol Pot supporters' barbarities, alas, are still preserved in Siem Reap. Take, for example, Long Satavi. A teacher at the local school, during the Pol Pot reign she was thrown in jail.

Long Satavi's story was told to me by her Soviet friends--specialists working on the construction of a new diesel electric power station in Siem Reap. The foreman there is Vladimir Ivanovich Bataytis. Before his arrival in Siem Reap he worked on another facility of Soviet-Cambodian cooperation--the Phnom Penh DES-4 [diesel electric power station], which is currently supplying current to the republic's capital.

The Siem Reap electric power station has a design capacity of 2,000 kW and its first unit should generate current this summer. Today practically the whole building of the station is ready for installation of equipment. The first most difficult months of work are already a memory. Here, for example, is what our fellows--from Volgograd, Minsk, Tashkent and Novosibirsk--told us about the current construction site.

In the first days the actual difficulties were not small. To begin with, there was not enough equipment. It was necessary to dig a 3-meter deep pit under the foundation. They asked for help from the local population. The soil was very complicated. It is dry and yielded with difficulty to the picks. Sparks flew like bullets with each blow. The ground broke off, it rained and the pit was flooded. They had to crawl around the area that didn't give way.

"And look"--they vied with each other to show a "historic" photograph. The 40-ton diesel engine was put into place with the help of two tanks. When it was necessary, soldiers from the People's Revolutionary Army and Vietnamese volunteers came to help.

"Now," says Bataytis, "the main difficulty is the lack of qualified workers. During the course of construction we ourselves had to prepare specialists. Up to now we have accredited 75 people--stoneworkers, welders and installers."

The Soviet specialists, speaking about the work of their Cambodian comrades, emphasized their natural industry, inquisitive minds and desire to acquire ever newer knowledge and skills. Today you can count the industrial enterprises in Siem Reap on your fingers: There is an old DES which supplies current to the city only from 6 pm to 9 pm, an ice plant, several mechanized workshops and a weaving shop. With the appearance of the new electric power station here they are already planning to build a sugar plant. They are thinking about opening still other essential factories.

Let us return to our conversation at the people's committee of Siem Reap. Comrade Kheat Vanna, deputy chairman of the committee, informed us that today there are 6,762 agricultural labor mutual aid groups active plus 143 fishing groups. Last year the state allotted loans of 2 million riels to the province's fishermen for obtaining the necessary implements. As a result, they achieved good indicators in fulfilling the year's production plan. The agricultural collectives are successfully carrying out work on repairing and developing irrigation systems. Comparing the harvests of previous years it is easy to see that they are increasing from year to year. In the fields, which are particularly important, they are beginning to make use of agricultural technology, supplied to Cambodia by the fraternal socialist countries. Significant progress is being made in health care and education.

As a result of the consistent socioeconomic policy carried out by the People's Revolutionary Party of Kampuchea its ranks are growing. In Siem Reap, Kheat Vanna told us, during the past 6 years the ranks of party members doubled.

In our day the name of the province of Siem Reap was known to the world first of all thanks to the wonderful creation of ancient times--Angkor Wat. But now this masterpiece is only one of the concrete proofs of the talent and mastery of the Cambodian people. Today the workers of the young republic are building their motherland anew.

CSO: 1807/186



INDONESIA

COMMENTS ON NU WITHDRAWAL FROM PPP

Sarwono: It Does Not Mean Failure of Fusion

Jakarta SINAR HARAPAN in Indonesian 13 Dec 84 pp 1, 12

[Text] Jakarta, 13 December--Engr Sarwono Kusumaatmadja, secretary general of the Central Executive Council of GOLKAR [Functional Groups political party] stated on 13 December that the decision of the NU [Muslim Scholars] to "leave" the Development Unity Party (PPP) does not mean that the fusion of Muslim political parties carried out by the New Order Government in January 1973 had failed.

Answering questions by a SINAR HARAPAN representative at the Muslim pilgrims' residence at Pondok Gede in Jakarta Timur, Sarwono said: "That act of fusion, as such, is complete, and, like GOLKAR, the members retain their individual orientation." In a separate discussion Doctor Suhardiman, the deputy chairman of the Functional Development Fraction in Parliament, and Doctor Marsoesi, a leader of the Indonesian Democracy Party [PDI] Faction in Parliament, also commented on the results achieved by the 27th National Congress of the NU.

According to Sarwono, the decision of the National Congress of the NU to "leave" the PPP had begun to appear a long time ago in the thinking of the NU younger generation. Later on, it was further influenced by recent political developments. He added: "However, this is a positive development, because it strengthens the argument that social and political groups must be based on the Pancasila [Five Principles of the Nation]. This means that the social and political groups have nationalist characteristics."

Sarwono also considered that "the departure of the NU from the PPP does not mean that this will lead them to found a new political party. This is because the formation of a new party would require legal approval.

"If the NU becomes a pressure group, that is all right. However, this also has a positive aspect, because it involves raising the level of political life. It means that what has been called cost-free support no longer exists."

On the whole, he considered the results of the National Congress of the NU were positive. He viewed the election of Abdurachman Wahid as general chairman as the choice of a moderate progressive, which he said was very appropriate. Noting that he had known Abdurachman Wahid for a long time, Sarwono added: "There is no doubt

about his nationalist feelings. I hope that he will be able to lead the NU in the direction sought by the NU as a religion-oriented, mass organization."

#### Can Be Divided

Doctor Suhardiman, the deputy chairman of the Functional Development Faction for political affairs, said that if the PPP is unsuccessful in developing support among NU members, there is a considerable possibility that the political aspirations of NU members will be split in the coming 1987 elections.

In his discussion with a SINAR HARAPAN representative on 13 December Suhardiman said that in the course of the first, second, and third general elections [under the New Order] the NU had directed its political aspirations through the PPP. However, a more autonomous attitude has been clearly expressed in the decision of the NU National Congress. In this way, he added, it is possible that the political aspirations of NU members will be divided.

Suhardiman said that the decision of the 27th NU National Congress represented a movement away from the First PPP National Congress held in August 1984 in Jakarta. This recalled the fact that the First PPP National Congress amounted to the total amalgamation of the four elements (former political parties) which joined to form the PPP. This total amalgamation meant that NU political aspirations were channeled through the PPP.

However, at the 27th National Congress the NU made its attitude clear. NU members were free to direct their political aspirations elsewhere. This meant that the political attitude of the NU was a reaction against the First National Conference of the PPP.

Suhardiman began his comments by saying that the attitude reflected in the decisions of the NU National Conference in Situbondo [East Java] had been correct. He added: "This reminds us of the context which will be used as the basic political foundation for the Fourth and Fifth 5-Year Plans and in the basic law on community organization which will be debated by Parliament. This is intended, among other things, to provide that community organizations will be self-supporting."

In this way the relationship between community organizations and social and political organizations will no longer be "supportive" but rather will reflect a kind of "mutual symbiosis" in which the two types of organization give life to each other. "Therefore, every community organization will stand on its own and be free to channel its political aspirations through the social and political forces of its choice," Suhardiman said.

#### Balance

Doctor Marsoesi, the leader of the PDI Faction in Parliament, declared that the decision by the 27th National Congress of the NU that NU members were free to channel their political aspirations as they saw fit could create a balance between the three existing political groups.

For this reason Marsoesi hoped that the leaders of the three social and political forces, and the PDI in particular, would be aware of this situation and would make use of it to "welcome" NU members who are free to decide on their own political aspirations.

Agreeing with Suhardiman, Marsoesi also considered the decision by the 27th National Congress of the NU as a change in the balance of the organization and at the same time as a clear change from the attitude adopted by the First National Conference of the PPP of August 1984. He stated: "I thought that after the First National Conference of the PPP something was going to happen." He said this was because the majority of NU officials felt dissatisfied with the implementation of the First National Conference of the PPP.

Marsoesi said he hoped that the NU leadership would apply and disseminate the decision of the 27th National Congress of the NU, which he considered very constructive. The dissemination of the decision, he said, should not only be undertaken by NU leaders. They need to be helped by the government and the leaders of social and political forces, including the PDI leadership in particular, whose purpose should be to "welcome" NU members.

Asked how NU members could be "welcomed" by the PDI, Marsoesi stated that the PDI program must be implemented as effectively as possible, not only in the interests of the supporters of the PDI but also in the interests of all of the Indonesian community from Sabang [Aceh] to Merauke [Irian Jaya].

#### Nurcholis Madjid: NU Will Make More Progress

Jakarta MERDEKA in Indonesian 13 Dec 84 pp 1, 12

[Text] Situbondo [East Java], 12 December---The withdrawal of the Nahdatul Ulama (NU) from the Development Unity Party (PPP) was due to the fact that the PPP was involved in a process of "de-Islamization," in addition to political factors within the NU itself.

This view was stated by Nurcholis Madjid, former general chairman of the Executive Committee of the HMI [Islamic University Students Association], who is now an expert on the staff of the Indonesian Science Institute (LIPI), on 11 December in Situbondo. He also stated that there was no need for an Islamic political party in Indonesia. It was enough to have the Islamic religion in the sense of the beliefs held by Indonesian citizens.

According to Nurcholis Madjid, who attended the NU National Conference as an observer, the withdrawal of the NU from the PPP will be beneficial for the NU itself. At the same time it will serve to cancel out the emerging impression that the only people who pray as Muslims are members of the PPP.

He gave as an example the fact that, during the period of the Old Order [before 1965] if PNI members prayed as Muslims, they were discredited by their own associates because they were doing something new. He said: "With the decision made by the NU to withdraw from the PPP, impressions of this kind will disappear."

He said that Indonesia at this time is going through a process of Islamization. This means that many government officials are performing their religious duties, while the PPP, by abandoning Islam as a founding principle and the Ka'bah [religious symbol at the mosque in Mecca] as an elections symbol, was regarded as participating in a process of de-emphasizing Islam.

Nurcholis Madjid, who has a doctor's degree from the United States, also thinks that the withdrawal of the NU from the PPP will have a major influence on the success or failure of that party. An alternative to the PPP could lose influence or, on the other hand, become more powerful.

He went on to say, "However this works out, the progress of the PPP in the future will depend on that party itself: that is, to what extent it can bring out a program which takes the side of the people."

In response to a question from a reporter Nurcholis Madjid said he thought the withdrawal of the NU from the Masjumi in 1952 was not the same kind of development as the recent withdrawal of the NU from the PPP.

The NU withdrew from the Masjumi in 1952, in his view, because of errors that had been made. The withdrawal of the NU from the PPP at present seeks to return the NU to its historic position as a social and religious body.

According to him, the withdrawal of the NU from the PPP means that in Indonesia the NU and the Muhammadiyah will be the only Islamic social and religious organizations.

Asked to comment on Abdurachman Wahid as chairman of the NU Executive Committee, Nurcholis Madjid said that he was the right man to hold the position because he was available and had the necessary qualifications.

He hoped that the decision taken by the 27th NU National Congress would be beneficial to the NU because the kind of training provided by the NU is specifically nationalist and based on a strongly religious view. In addition, the NU has a strongly traditionalist outlook.

#### Soekardi: It Will Benefit NU

Jakarta SUARA KARYA in Indonesian 13 Dec 84 p 11

[Text] Jakarta, SUARA KARYA--Soekardi, the chairman of the Functional Development Faction in Parliament, has declared that with the departure of the Nahdatul Ulama (NU) from the PPP, each NU member is free to exercise his political rights through all existing social and political forces, in the service of Indonesia.

Soekardi's comment was made in connection with the decision by the NU to withdraw from the PPP as a consequence of the decision of the 27th National Congress of the NU in Situbondo, East Java, concerning the depoliticization of the NU and the loss of a specifically Islamic character by the PPP. He told the press at the Parliament building on 12 December: "Fundamentally, this decision is the right one."

According to Soekardi, the independent attitude of every NU member in exercising his political rights is in accordance with the substance of the draft law on political parties and on GOLKAR. That is, the membership of a person in a political organization is an individual matter. He said: "There no longer are supporting organizations for social and political groups."

The chairman of the Functional Development Faction went on to say that the depoliticization of the NU also means that every NU member has broader freedom to participate and contribute his thoughts to the political process. He said: "This will be very beneficial for the NU, because it fits in with the acceptance of the Pancasila as the single founding principle by the NU itself."

According to Soekardi, the process of depoliticization will provide a more intense emphasis on the NU Declaration of 1926, by which the NU, as a mass organization which had previously disseminated the teachings of Islam will be able to carry on social and religious activities more effectively and more broadly than it did in the past. Soekardi said: "I consider that this is something positive."

Meanwhile, Soekardi said that he did not seek to interfere in the internal affairs of the Development Unity Party [PPP]. However, he said that finally the PPP would have to adjust itself to this development, to the draft law on mass organizations, and to the law on political parties and GOLKAR. He said: "However, I am convinced that the Pancasila as the single founding principle will be applied by the PPP in accordance with the letter and spirit of Decision No 2 of the MPR [People's Consultative Assembly] on the Pancasila as its single founding principle. This means the de-Islamization of the PPP."

#### Sudharmono Welcomes, Soedardji Does Not Regret NU Action

Jakarta SINAR HARAPAN in Indonesian 14 Dec 84 pp 1, 12

[Excerpts] Jakarta, 13 December--Master of Laws Sudharmono, general chairman of GOLKAR, said that GOLKAR welcomes the results of the 27th National Congress of the NU in Situbondo, East Java, which was recently held. He expressed the hope that the acceptance of the Pancasila as its single founding principle by this large mass organization "would strengthen our union and unity and facilitate the implementation of each section of the Pancasila."

Answering questions from reporters on 13 December at the Bina Graha offices, Sudharmono replied: "We'll just see," when he was asked whether GOLKAR would benefit from the NU decision, which gives its members freedom to channel their political aspirations through any political organization.

In answer to another question, he said it was up to NU members as to whether they wanted to become GOLKAR members or not. This is because there are certain requirements for becoming a member of GOLKAR, such as submitting a written request to this effect.

According to Sudharmono, based on information obtained from the NU itself, there are NU members who are also members of GOLKAR. In this connection we don't consider their NU membership because membership in GOLKAR and in the political parties is an individual matter. He declared that it was not a part of GOLKAR

strategy to take members from other political groups. He said that the major problem facing GOLKAR was the task of consolidating its membership, and this was already a difficult matter.

Sudharmono considered the ulama [religious teachers] of Islam and the leaders of other religions as important figures in urging the people to strengthen their faith and devotion and their respect for religious values. At present we need more ulama who concentrate their attention on the development of their people as such and not just in deepening their religious faith but in expanding their good works. He said that religion has an important role to play in our life as a state, because the values it preaches can help to stimulate the development process. He said: "We don't want religiosity."

#### No Regrets

Doctor Soedardji, chairman of the Central Executive Council of the PPP, said he did not regret the decision by the 27th National Congress of the NU that NU members would no longer be directly connected with the PPP because they would be free to follow their political aspirations elsewhere.

He made this comment on 13 December in answer to a question from a SINAR HARAPAN representative. Soedardji, who is also chairman of the Development Unity Faction in Parliament, said that the decision by the NU National Congress was proper and in accordance with the attitude of the New Order Government toward the renewal of the political system, both in terms of organization as well as of ideology.

He said: "I do not regret the decision by the NU National Congress because it is in consequence of the process of renewal in the political system." He added that he could not disagree with the decision and even expressed support for it.

The PPP leader from the Muslimin Indonesia (MI) [Indonesian Muslim Community] element of the party did not think that anyone would regard the decision by the 27th NU National Congress in Situbondo as a "threat" which could affect the existence of the PPP. He said that as of now he had not considered whether, with NU members free to express their political aspirations as they saw fit, based on the decision of the national congress, the votes in favor of the PPP in the 1987 elections would decline.

In a joking way Soedardji even pointed to the decline in PPP seats in Parliament and other representative institutions from the period 1977-82, when it had 99 seats, to the period since the 1982 elections, when it has had 94 seats, even while using the Ka'ba as its electoral symbol. He said, with a laugh: "Now I don't know what will happen, so let's just see."

He was asked whether the PDI and GOLKAR might make use of this opportunity to lure NU members. Soedardji answered: "The PPP will clearly try to make sure that NU members are not 'lured away' by the PDI and GOLKAR." Asked how he would do this, he said that the PPP leaders would try to do this through the party's political attitude, through its behavior, and through its programs.

## MP Believes NU Remains Morally Bound to PPP

Jakarta MERDEKA in Indonesian 18 Dec 84 pp 1, 10

[Text] Jakarta, 17 December---There is no reason for Nahdatul Ulama (NU) members to transfer their political aspirations from the PPP, because every NU member, including NU leaders, is still morally bound to the declaration made by the four Islamic political parties which joined in establishing the PPP in 1973.

This was stated by Fachrurazy, a legal expert and member of Parliament in the Development Unity Faction who represents Jakarta. He made this statement on 17 December in commenting on the statement by H. Abdurrahman Wahid, general chairman of the NU, who stated that the 1973 declaration was no longer in force since the First National Congress of the PPP in August 1984, which declared that the PPP accepted the Pancasila as its single founding principle.

Fachrurazy went on to say that, as Muslims, we must continue to respect what was done by Islamic leaders who worked under difficult circumstances to achieve an agreed upon political line which later led to the issuance of the "1973 Declaration."

He said: "In this connection it must be admitted that those who developed the 1973 Declaration included NU leaders themselves."

Fachrurazy, who is also deputy chairman of the NU Branch for Jakarta, stated that the Declaration of 1973, which Abdurrahman Wahid said no longer has any force since the First National Congress of the PPP, was an inseparable part of Law No 3 of 1975.

He continued: "If the 27th NU National Congress decided to free its members to achieve their own political aspirations as they see fit, that cannot be made to mean that the NU is free of the PPP." He admitted that, in an organizational sense, this could be true.

### Political Loafing

Fachrurazy considered that the statement made by Abdurrahman Wahid is very confusing for NU members, including his statements on modernization. According to him, the modernization mentioned by Abdurrahman Wahid can result in changes in the traditional attitude of the NU.

Fachrurazy stated: "This is because of the traditional attitude of the NU, which has always been oriented to the Mazahibul Arba'ah (Four Principles--editor's note). This has led the NU to protect and to seek to develop its followers."

Therefore, Fachrurazy believes that the statement by Abdurrahman Wahid, in addition to disturbing NU members, also tends to turn them into political loafers.

Regarding the decision of the NU National Congress on returning to the Declaration of 1926, in his view the implementation of this step is not yet complete. For example, there is the NU leadership structure at present which still continues to use the position of secretary general.

Fachrurazy said: "If the NU really returns to the Declaration of 1926, the post of secretary general should not exist."

By continuing to maintain the position of secretary general, he said, the principal authority is the Tanfidzah [Executive] and not the Syuriah [Advisory Council] as provided in the Declaration of 1926.

Even more surprising, according to Fachrurazy, is the decision to abolish the position of general chairman but, on the other hand, to continue to maintain the post of secretary general. In that way, in terms of the structure, of the two positions of general chairman and secretary general it is the secretary general who has the most power.

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CSO: 4213/118



MALAYSIA

VOMD REVIEWS SRV 'AGGRESSION' AGAINST CAMBODIA

BK291714 (Clandestine) Voice of Malayan Democracy in Malay 1215 GMT 28 Jan 85

[Talks on current events: "Vietnam Is Very Isolated in the United Nations"]

[Summary] Last year, the 39th session of the UN General Assembly again accepted the credentials of the CGDK without a vote and passed a resolution calling on Vietnam to withdraw all its troops from Cambodia with 110 countries in favor and 22 opposed. This has once again shown irrefutably that the Cambodian people's war against Vietnam is gaining broad support from the international community and that the Vietnamese occupation of Cambodia is condemned countries and peoples that uphold justice.

As a result of its serious defeat on the Cambodian battlefield and sharp internal contradiction, the Vietnamese ruling clique has been concentrating on diplomatic efforts abroad in addition to intensifying its war of aggression against Cambodia. In July 1984, Le Duan called for more economic exchanges between Vietnam and foreign countries. Prior to the 39th General Assembly session, he himself visited India, where he asked the Indian prime minister to exert influence on other countries on the Cambodian issue. Vietnamese Foreign Minister Nguyen Co Thach visited a number of countries to put forth new proposals on Cambodia, which can be summed up as follows:

"First, Vietnam is prepared to accept a proposal on the dispatch of an international peacekeeping force to Cambodia. Second, Vietnam is prepared to accept the good offices of a third country in seeking peace, and Japan may become a mediator if it stands neutral. Third, a Southeast Asian peace conference is to be jointly held by three Indochinese countries and ASEAN. Fourth, a 15-nation [figure and countries as heard] international conference is to be held to discuss the Cambodian issue with the participation of three Indochinese countries, the six ASEAN countries, the United States, the Soviet Union, China, Britain, and France. Fifth, Vietnam is prepared to withdraw most of its troops within a period of 5 to 10 years, even through the Cambodian issue cannot be resolved politically, and so on. "However, international public opinion--inside and outside the United Nations--criticized Nguyen Co Thach's proposals as soon as they had been issued. The Thai Government believes that the so-called Vietnamese proposals are nothing but an effort to generate trust in Vietnam's sincerity in seeking peace. The Philippine foreign minister also pointed out that these proposals are

imaginatively designed to win over international opinion. The Chinese representative [to the United Nations] pointed out that Vietnam's offer of dialogue and new proposals for an international conference have only demonstrated that, being unable to destroy the strength of the Cambodian resistance forces militarily, Vietnam must achieve its objectives through various political tricks. Vietnam has no desire to withdraw all its troops. Considering that 6 years is not enough time to subdue Cambodia, it will continue to occupy the country. CGDK President Prince Norodom Sihanouk pointed out that Nguyen Co Thach's tricky proposals are designed to persuade the international community to recognize the Vietnamese occupation of Cambodia and the puppet regime in Phnom Penh.

"This also means that Vietnam is entirely unwilling to accept the UN decisions on the Cambodian issue. Faced with Vietnam's stubbornness and arrogance, the Cambodian patriotic fighters and their coalition government have no alternative but to continue their armed struggle. Prior to the UN General Assembly session, Nguyen Co Thach proposed through the French minister for external relations to Prince Norodom Sihanouk that he himself negotiate with Vietnam and the Phnom Penh puppet regime. However, the Democratic Kampuchean president rejected this proposal. The Thai foreign minister considered this Vietnamese plot nothing but an attempt to cause confusion in ASEAN and break up the anti-Vietnamese Cambodian coalition government by pitting one against another."

It is interesting to note that Nguyen Co Thach tried hard to woo Japan. In principle, Japan stands by ASEAN, but it also expresses its readiness to serve as a bridge between Vietnam and ASEAN. Consequently, Nguyen Co Thach tried to obtain Japanese support while he was in Tokyo. His efforts, however, ended in failure when Japan refused to extend economic aid to Hanoi while the Vietnamese troops are still in Cambodia. Infuriated by the Japanese attitude, the Vietnamese foreign minister then accused Tokyo of colluding with the United States and China and attacked China's just stand on Cambodia. He even made the blatant slander that the Cambodian issue cannot be resolved due to ASEAN obstruction and an imaginary Chinese threat.

In 1984, Vietnam found itself further isolated in the United Nations. More countries supported the Cambodian people's just struggle against the Vietnamese aggression and occupation. They demanded that Vietnam immediately withdraw all its troops from Cambodia.

CSO: 4213/135

MALAYSIA

RESTRUCTURING OF NATIONAL RICE BOARD ANNOUNCED

Kuala Lumpur BERITA MINGGU in Malay 30 Dec 84 p 1

[Article by Zaini Zainuddin: "Goal of Restructuring the LPN Is To Make It Self-Supporting"]

[Excerpts] Kuala Lumpur, Saturday [29 December]--Tan Sri Basir Ismail, chairman of the National Paddy and Rice Institute (LPN), today announced a huge reorganization of that institution's management which involves the appointment of new officials and changes and restructuring of its business operations.

The purpose of the reorganization is to create an institutional structure that is more suitable to its operations and one that can be fully self-supporting.

"With this reorganization, the LPN will be assured of enough money to purchase imported rice without having to borrow money from the government while it can pay more attention to domestic paddy and rice purchase activities," he affirmed.

Positions Still Vacant

Tan Sri Basir announced the appointment of Mr Shaharuddin Harun, former Insurance board chairman, as the chairman of the new LPN board, replacing Haji Ismail Shamsuddin.

The positions of certain officials in other sections, he said, will also be changed, but he was reluctant to say anything further on this matter.

It is understood that the final report on the new organization was prepared by Mr Shamsuddin Osman.

The LPN accounts, Tan Sri Basir said, have improved and have been strengthened with changes made in its accounting system approved by the minister, chief comptroller, and the Treasury since 1981.

Tan Sri Basir explained that the LPN was forced to move its bank accounts from the Bumiputera [indigenous persons] Bank to Malayan Bank to obtain a higher rate of interest to cover the losses incurred in 1981. The LPN lost M\$100 million in that year.

The move apparently benefited the LPN because it realized a surplus of M\$102 million this year, he explained.

Tan Sri Basir added that the LPN did not close all of its accounts but held deposits in a number of banks that offered higher interest rates and offered less expensive financing for purchases in accordance with the Treasury register.

At this time, he said, the Islamic Bank offers the best financing for LPN purchases.

Tan Sri Basir said the LPN opened accounts for each of its 28 paddy complexes. Formerly, their funds were held in one account.

"Last year we found the LPN complexes lost M\$60 million but now that they have their own accounts, losses were reduced to M\$15 million by October of this year, and it is expected that their account positions will be better next year," he remarked.

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CSO: 4213/124

MALAYSIA

## NEED FOR ISLAMIC EDUCATION DESCRIBED

Kuala Lumpur UTUSAN MALAYSIA in Malay 21 Dec 84 p 8

[Editorial: "Danger of Neglecting Islamic Education"]

[Text] Leading figures in the Islamic world today have been disregarding the need to call for the restoration of the glory of Islam, the creation of greater unity in the Islamic community, and improvement of its standard of living and education. This is needed to heighten regard for Islam and the resiliency of Muslims in an increasingly unstable world.

Problems faced by the Islamic community in the 20th century were discussed in the meeting held by foreign ministers of Islamic countries in North Yemen recently and also in an Asian and Pacific Council meeting held in Malaysia.

Fostering unity, of course, is very important but even more pressing perhaps is the deteriorating understanding of Islamic principles and the weak devotion to Islam and brotherhood of its adherents.

Unfortunately the Islamic community cannot be reinvigorated immediately. This must be done gradually, depending on whatever changes can be made and whatever opportunity exists for making such changes.

In Malaysia, for instance, the application of Islamic values in various ventures perhaps is viewed as being too late, but what is being and what will continue to be done aims at achieving tangible results.

The Islamic Bank is a pioneering attempt toward establishing an Islamic economic system, and the Islamic University established to increase the number of Islamic scholars and intellectuals is achieving results.

These accomplishments should be revealed so that members of the Islamic community in other countries can see and be fully convinced that Malaysia is not only capable of but is carrying out what others are saying about exalting the glory of Islam and the regard of Muslims for Islam in line with Malaysia's capability to do so.

The weak spirit of Islam and devotion to Islam expressed through strong ties of brotherhood may not be achieved if the understanding of Islamic principles

of Muslims themselves is impaired. Accurate knowledge of Islamic principles may not be gained except through an Islamic education.

So, the application of Islamic values and heightened understanding of Islamic principles require a broad education, one that encompasses the boundaries of the region in which the Islamic religion prevails.

Things done by Islamic groups, one after another, that exceed the bounds of propriety are done because of a low level of understanding of Islamic principles.

There would be no disputes or hostility if every Muslim followed Islamic teachings 100 percent or if he, his family, and Muslim groups were more attracted to devotion to Islam than to political philosophies that are influenced by worldly interests.

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CSO: 4213/124

MALAYSIA

OIL PRODUCTION TO BE CUT

Government Supports OPEC

Kuala Lumpur BERITA HARIAN in Malay 27 Dec 84 p 1

[Text] Kuala Lumpur, Wednesday [26 December]--The government today announced that it had decided beginning next year to cut crude oil production by 40,000 barrels a day, or about 9 percent of current total production, in support of the Organization of Petroleum Exporting Countries (OPEC).

At the same time, Mr Daim Zainuddin, minister of finance, expressed the hope that Malaysia's step would be supported by other producer nations to stabilize oil prices.

In his brief statement this afternoon, the minister said the government believes in OPEC and what it is fighting for. It must be supported because the world market price for crude oil has been under some pressure for the past few months.

"As a sign of unity with OPEC nations, the government has taken the decision to cut crude oil production by 40,000 barrels a day in 1985 rather than producing what had been planned for that year," he clarified.

Malaysia now produces 440,000 barrels of oil a day and planned to raise production to 450,000 barrels a day next year. With the government's decision, Malaysia's 1985 crude oil production will total 410,000 barrels a day.

National income thereby will be reduced by \$1.16 million or M\$2.78 billion a day.

Pressure

According to the Finance Ministry's 1984-85 Economic Report presented to parliament in October, crude oil production was calculated to rise by 2.3 percent to 450,000 barrels a day from this year's 440,000 barrels a day.

The average rate of production for Malaysian crude oil in 1983 was 383,000 barrels a day.

Because of pressures felt in the world market, Mr Daim said, several producer nations who are members of OPEC and some non-member nations sold their oil at a price lower than the benchmark price of \$29 (M\$69.60) per barrel for Saudi light oil.

"The government feels OPEC and what it is fighting for must be supported and hopes this step will be supported by other oil-producing countries to stabilize the price," he said.

In the meeting held in Geneva last October, OPEC reached agreement to cut oil production by 1.5 million barrels a day, from the 17.5 million barrels a day agreed upon by that organization in March 1983.

Meanwhile, the ministerial meeting of the 13 OPEC nations held in Geneva last week appealed to Norway and Britain not to drop their crude oil price because this would impair the structure of the world market.

#### Editorial Endorses Government's Decision

Kuala Lumpur BERITA HARIAN in Malay 28 Dec 84 p 10

[Text] A serious dispute which has existed in the very complex international oil politics but of which no one was aware, is the conflict of interest between oil exporting countries, most of whom are developing countries, and importing countries, most of whom are advanced nations of the West. Since the eruption of the energy crisis at the end of 1973, initiated by Islamic nations that were members of the Organization of Petroleum Exporting Countries, the conflict has become more serious. The Islamic nations took this step because the United States clearly favored Israel in that year's Arab-Israeli war.

Since the influence of Arab Islamic nations was so strong in OPEC, non-Islamic and non-Arab member nations of that organization were forced to go along with cutting oil production. This created an oil shortage and the price tripled. The world economy was seriously affected. The economic recession occurred because countries were suddenly forced to pay prices that were threefold higher for imported oil. It also proved the effectiveness of oil as a political weapon. However, for developing countries that had oil resources the OPEC move was an eye-opener. Oil production contracts with international oil companies of the West were renegotiated, giving greater control over their oil to producing countries. These giant companies suddenly lost power. Western anger toward developing nations which produced and exported oil became more evident.

Although, with dirty looks, the West accepted the sovereignty of producer nations over their oil resources, advanced nations continued to threaten and chastize Third World oil-exporting countries. The rapid expansion of oil and gas production in the United States, Canada, and North Sea was not accidental. It was planned to discourage and ultimately topple OPEC and Third World exporting countries. The West now is even more determined to chastize Islamic oil-exporting countries because it is concerned that Islamic political uprisings now occurring in almost all Islamic nations will damage its interests. If Islamic nations that became rich from oil and gas exports are being liber-



ated from the economic chains of the West because of new power gained from the Islamic uprisings, it will be difficult to avoid Islamic-Christian conflict in international relations dominated by the West. This is greatly feared by the West.

Although many factors affect the world oil market, the factor of an Islamic-Western conflict should not be ignored out of hand. In this light, we must consider the government's decision to cut oil production by 40,000 barrels from the amount planned for next year. It represents our support of OPEC in its attempt to stabilize the oil price which has now dropped below the OPEC benchmark price of \$29 per barrel. In addition to the reluctance of Iran, Libya, and Nigeria, three OPEC member nations, to bide by the production quota, the reduced price for North Sea oil has caused the price to drop in the past few months. The price of Arab light oil fell from \$27.70 a barrel on the London spot market on 24 August to \$27.45 on 24 December.

Although Malaysia is not a member of OPEC, Mr Daim Zanuddin, finance minister, said this decision was taken because Malaysia believes OPEC's attempts to stabilize the oil market must be supported. Let us hope that support from a non-member nation like Malaysia will open the eyes of OPEC member nations who are still obdurate. We shall lose a great deal of revenue with the drop in production. However, if we are able to manage with a temporary drop in production, it is wise to do this because an unstable oil market is bad for us. In the present weak market situation, we would be forced to sell more oil in order to obtain steady earnings. This step perhaps would not be necessary if we could gain sufficient revenue from other sources.

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CSO: 4213/124

NEW ZEALAND

GOVERNMENT CONFIDENCE IN ECONOMY, POSSIBLE DOLLAR FLOAT VIEWED

Christchurch THE PRESS in English 7 Jan 85 p 16

[Text] New Zealanders have been given an opportunity to vote with their money, to show whether they believe this country's currency is valued reasonably well in its relationship with other currencies. That should be one effect of the change announced by the Government late last year in the regulations that control investment abroad by New Zealanders. For the first time in 50 years controls on investment abroad have been removed.

People who believe that this country's dollar is still over-valued in spite of the 20 percent devaluation after the General election are able now to move their money into investments abroad. If they are right and the New Zealand dollar falls further, such investors will gain provided that their foreign investments are sound. Conversely, those who believe that New Zealand's dollar has reached its lowest level should be canny enough to keep their money in New Zealand. Even if they want to invest abroad, they will be tempted to wait until the New Zealand dollar is revalued, or permitted to move upwards.

If that happens, New Zealand money will go further and buy more in other countries. What the Government has done is to make possible the "flight of capital" that was spoken of--but which did not happen--on the eve of the big devaluation. The gamble is that the dollar is now so low and will go no lower, so that flight--now possible--has lost its attraction.

Overseas investors, from countries where free movement of currency has been permitted, have made clear their feelings about the New Zealand dollar in the last few months. Capital has flowed into New Zealand, stimulating the share market and helping to fill public and private loans that offer high rates of interest by world standards. Foreign investors have thus given a vote of confidence in the devaluation of the New Zealand dollar as well as responding to interest rates prevailing here. Their belief is that, if New Zealand's exchange rate is altered again by decree or by a float of the currency, it can only go up.

Implications of the new arrangements for investment abroad have still to be assessed by most New Zealanders. Those contemplating a coup on the New York stock exchange for instance, might like to reflect that shares in

major American companies are generally priced much higher than those quoted for New Zealand shares on the New Zealand stock exchange. General Motors shares, for instance, trade at present around \$US76--or \$NZ160 each. A parcel of 100 shares would cost about \$NZ16,000. Those who fancy buying a small holiday house in Switzerland rather than in Akaroa, will face a bill of about 150,000 Swiss Francs (\$NZ120,000), with local mortgages available at 6.5 percent.

One likely result of the new arrangements may be to make it easier for foreign companies to persuade New Zealand shareholders and the Government to accept take-over offers. Until now, a company making a take-over had to pay out New Zealand shareholders in New Zealand currency. Under the new arrangements, it may be possible to offer New Zealanders shares in the foreign company making the take-over instead. No money needs to change hands now that there are no restrictions on New Zealanders owning (and buying and selling) shares in foreign companies using New Zealand currency.

This may have an important practical application in the next few weeks. The Government has stopped a take-over bid for one of New Zealand's largest companies. Alex Harvey Industries by the Australian conglomerate A.C.I. which had offered \$NZ3 for each Alex Harvey share. Now A.C.I. could offer its own shares and argue that instead of buying up a New Zealand asset it was offering New Zealanders a stake in a bigger company that would still include their Alex Harvey interests. The offer of overseas shares as payment or part payment for a New Zealand asset is a new attraction to shareholders here. Hitherto, they could not have freely traded in newly acquired overseas shares; they could only sell them and repatriate the funds. Now they will have access to the overseas funds.

Such possibilities are early indications that New Zealand may be moving into a more mature and sophisticated relationship with the international business and financial community. It is a measure of the Government's confidence in the economy and in the good sense of New Zealand investors, that regulations are being whittled down. Provided that there is no sudden outflow of New Zealand investment funds and none seems likely at the present low exchange rate, the New Zealand dollar may well be permitted, before long, to find its own level of value in the international financial markets. High interest rates in New Zealand will also help to steady any outflow of capital.

This step--to float the dollar--could well be self-policing once the freedom of movement of investment money is established. If the New Zealand dollar rises in value in relation to other currencies, New Zealanders will have a greater incentive to invest abroad because investments will be cheaper in New Zealand dollars. At the same time, the return from earnings will be lower in New Zealand dollars, though many investors will be more interested in access to the foreign exchange that the investments earn.

Freeing overseas investment is a bold concept and a seemingly unlikely measure for a Labour Government to take in a country long accustomed to financial controls from all Governments. In the last resort, New Zealand's economic success and maturity can be measured only without the cushion of regulations. This, however, is not necessarily the acceptable or necessary measure of an economy's success. Few countries are entirely without some control of the flow of money across their borders; all can introduce controls when they are called for. The New Zealand Government knows that this new freedom may be temporary and may be withdrawn at a moment's notice. A small economy, exposed to big financial tides, will always have to be alert. Changes in prices, including interest rates, abroad could confound the Government's passion for economic freedom. A substantial flight of foreign capital from New Zealand could upset the plan overnight.

CSO: 4200/488

NEW ZEALAND

LANGE CITES PRESSURE PROMPTING U.S.-USSR TALKS

Christchurch THE PRESS in English 2 Jan 84 p 4

[Text] NZPA-AAP Canberra--New Zealand did not seek to have a strike capacity or to be defended by nuclear weapons, said the Prime Minister, Mr Lange, yesterday.

"We are not going to have nuclear weapons in New Zealand and we are not going to learn to love the bomb," he said on Channel Nine's television programme, "Today."

He said the United States had assured New Zealand that it would not impose trade or economic sanctions over the nuclear ships issue, and he had told the Americans that the New Zealand policy was not directed against the American Navy.

Mr Lange said conventional vessels would be welcome.

He added that New Zealand would not change its opposition to visits by nuclear armed or powered ships.

Pressure for nuclear disarmament and de-escalation of the arms race had become so powerful it had finally brought the Soviets and the Americans to the negotiating table, he said.

"It would be an awful irony if at the time when the climate for running armaments down is just building up, my Government should decide to change its stance and welcome nuclear weapons to New Zealand," he said. "The Government simply is not going to do that."

Mr Lange said he believed that Australia understood New Zealand's position on A.N.Z.U.S., just as New Zealand understood Australia's position.

New Zealand had a different history, he said. Australia had a different defence structure and had bases from other countries, he said.

"I don't expect them to conform to our position but I know that they will be anxious to talk with us, in their own right as Australia, and not as some messenger of another country," he said.

CSO: 4200/472

NEW ZEALAND

PAPER ON UNCERTAIN FUTURE FOR FARMERS

Christchurch THE PRESS in English 4 Jan 85 p 9

[Article by Hugh Stringleman]

[Text]

New Zealand's sheep and dairy farmers face an uncertain future without an umbrella of Government price support and a giant financial hangover from previous intervention policies.

During 1985, most of the Government subsidy schemes, such as the supplementary minimum price scheme (S.M.P.), will end and the adverse effects on farmers of the new Labour Government's first Budget will be felt.

Apart from wool, international commodity prices have not risen sufficiently, even with the 20 per cent devaluation of the dollar last July, to brighten the prospects of primary producers without Government subsidies. They will be forced to rely on their own intervention systems to maintain average farm incomes at the levels of the last three or four years and the burden will be heavy.

Farmers also appear likely to be left with a larger part of the bill for supporting meat and wool incomes since 1981-82 -- a National Government policy designed to save the rest of New Zealand from the worst effects of the international recession.

Coupled with Sir Robert Muldoon's 20-month wage and price freeze from June, 1982, to February, 1984, the price support for New Zealand's biggest export earning industry was largely successful in bringing the isolated and trade-depend-

ent country through the difficult years. It may be Sir Robert's greatest achievement in the nine years he was Prime Minister.

But farmers, who had their incomes supported for four years, have had to count the cost in a number of ways.

First, they were made into beneficiaries -- a role only the very cynical enjoyed playing. A growing realisation that primary product price support was in fact processing industry support (as a way of multiplying through the community the effect of maintaining farmers' incomes) forced the whole farming sector into a defensive position. Resentment flared occasionally but it was clear that farmers had been pushed by high farm cost inflation into the position where they could not cut off the Government hand that fed them.

The support prices were set so high that in the end only a substantial devaluation of the dollar offered any short term hope of a relatively painless end to this addiction.

But Federated Farmers also realised that support for devaluation could pitch their members back into an unsubsidised environment of steeply rising import costs and domestic inflation and wages.

Having been through that valley in the late 1970s and early 1980s, few farmers would care to walk that way again. But the federa-

tion did support devaluation as part of a package of economic measures, many of which the new Labour Government implemented. The full devaluation benefit has only been gained in wool and beef prices. With sheepmeats and dairy products, contracting world markets and oversupplies have eroded the benefit.

Second, price support also made farmers into long-term debtors of the Government. As if they had over-indulged without being fully aware of doing it, they now face the future with a big hangover of debts.

Total price support to sheepmeats during four years (up to September 31, 1985) is expected to be \$1125 million, of which the Government contributed \$635M in S.M.P.s and the farmers' own support scheme (through the meat industry stabilisation account) the rest.

The M.I.S.A. deficit has already been frozen at \$400M on September 31, 1984, and converted into a 30-year loan from the Government upon which repayments of \$20 million a year will begin in 1990. The new M.I.S.A. will probably incur a further debt approaching \$100M in the current trading year.

Some sheep farmers have argued that this \$500M in industry price support served the same national objectives as S.M.P., and that like the \$635M for sheepmeats prices by way of that scheme and the \$393M paid in wool S.M.P.s, should not have to be repaid by producers in any shape or form.

Without S.M.P.s from the end of this trading year, the Meat Board as the centralised seller of sheepmeats faces a huge task in trying to make overseas returns cover the basic guaranteed prices to farmers and avoid running up further M.I.S.A. debts.

Third, massive price support over three or four years made farmers a highly visible target for

cost-cutting by an incoming Government apparently determined to restructure the economy away from Government intervention.

Unencumbered by the National Government's traditional loyalties to farming and manufacturing, the Labour Government moved quickly to confirm that S.M.P.s and export incentives would be abolished. It followed this in the Budget by a dozen cost-cutting measures aimed at farmers, designed to save the public exchequer \$500 million a year when they take effect.

Among the measures were the removal of fertiliser subsidies, sending the Rural Bank into the commercial marketplace for all its money for lending to farmers, the raising of concessional interest rates to market rates, halving of subsidies for irrigation schemes and the recovery of meat, fish and horticultural product inspection costs.

The effect on the average sheep farmer has been estimated as \$4200 in extra costs next year, rising to \$6500 extra the following year.

Of all the threats facing farming in the future, none worries many producers more than the planned increases in farm finance interest rates. New Zealand prides itself on a structure which allows hundreds of young men and women without family farms to get a start in farming each year. Mostly these starts come by way of a share-

milking position or a development block of land being brought into production by the Lands and Survey Department. These people borrow heavily on concessional interest rates from the Rural Bank or Lands and Survey.

Each year hundreds, if not thousands, of other farmers borrow to bring into production new land, sink wells for irrigation, buy new machinery or diversify production. Now two-thirds, or 44,000 of New Zealand's farmers are clients of the Rural Bank and the vast majority have loans with interest rates of less than 10 per cent.

These will go up by one per cent each year, until they reach the market indicator rate (currently 15 per cent). The Government has reassured farmers that interest rates generally will be coming down soon as its fiscal measures take effect, and so will the indicator rate. Thus concessional rates may move up only one or two per cent until they meet the market rate coming down, as it were.

But many a farmer at his kitchen table has projected his own Rural Bank repayments to the present market indicator rate of 15 per cent and found himself staring at financial ruin.

He has only the assurances of the economic restructurers to bank upon. That is the main reason why 1985 is such an unknown quantity for New Zealand's farmers.

NEW ZEALAND

GOVERNMENT REJECTS CALL FOR NUCLEAR-FREE ZONE LAW

Labor Youth Urges Legislation

Christchurch THE PRESS in English 7 Jan 85 p 1

[Text] Labour Youth, the youth wing of the Labour Party, has called on the Government to introduce anti-nuclear legislation when Parliament reconvenes next month.

Such legislation was seen as an important priority, said the president of Labour Youth, Mr Callum Reid.

"Although there is no doubt as to the Government's strength of commitment to Labour's anti-nuclear policy, verbal promises must be backed by legislative action," he said yesterday. "An act of Parliament will clearly demonstrate to our A.N.Z.U.S. partners and to the international community that New Zealand's anti-nuclear stance is not merely a policy of a Labour Government but a law of the New Zealand people.

"That law, unlike a policy, is not negotiable," said Mr Reid.

Subsequent Governments would not be able to change the law without the sanction of Parliament.

He said that such an act would provide for a process of verification where vessels which visited New Zealand could be checked for nuclear weapons.

"Such a process of verification may be necessary if the Government allows American vessels to visit New Zealand ports this year," he said.

A certain degree of flexibility was possible within such legislation.

"The legitimate use of small quantities of radioactive material in hospitals and research institutions could still be permissible.

"Labour Youth can see no real difficulty or reason for delay in drafting and introducing such a bill."



A private member's bill introduced by Mr Richard Prebble when he was in Opposition in June and which had been defeated on its first reading could be a useful model for new legislation, said Mr Reid.

The legislation should cover nuclear-powered vessels as well as nuclear weapons, he said.

#### Legislation Not Priority

Wellington THE EVENING POST in English 9 Jan 85 p 9

[Text] A New Zealand nuclear-weapons-free zone is already Government policy, so formal legislation is unnecessary at this stage, according to the Prime Minister, Mr Lange.

He told NZPA last night that Government policy banning nuclear weapons from New Zealand meant that the introduction of legislation formalising the ban was not a high priority.

However, such legislation would be introduced "when appropriate."

"If we needed legislation to give effect to our policy, then that legislation would be a priority.

Effective

"But we can give effect to our policy without that legislation," he said.

Mr Lange said he did not expect to see a bill on the subject introduced in the first half of this year.

He said he thought the first parliamentary session of 1985 would sit at least until the end of March.

Anti-nuclear groups have accused the Government of giving in to US pressure by delaying the introduction of legislation.

The New Zealand Nuclear Free Zone Committee said yesterday:

"The nuclear-free New Zealand promise was an important reason for Labour's landslide election victory and the main reason for favourable worldwide publicity and praise for New Zealand's courageous peace initiative.

"Further delays in legislation will appear to be capitulation to US pressures."

Mr Lange last night dismissed the claims as incorrect. He said: "Anti-nuclear groups have got their cake, eaten it and I don't intend to give them the icing."

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NEW ZEALAND

REPORTAGE ON, REACTION TO LANGE STATE OF NATION ADDRESS

Recovery To Take Two Years

Wellington THE EVENING POST in English 7 Jan 85 pp 1, 16

[Text] New Zealanders can expect little improvement in their standard of living this year or next year, says the Prime Minister, Mr Lange.

In a state of the nation address to the Whakatane Rotary this afternoon--his first since becoming Prime Minister--Mr Lange said he knew there were many people who had already borne a great deal because they expected an improvement in the future.

"That improvement will come, but it will not come this year or next. Our standard of living cannot improve until we have made the adjustments we need to earn our living."

Mr Lange said the Government's economic objectives were the full employment of all resources, sustainable economic growth, price stability, balance in external accounts and a fair distribution of income.

These objectives would not be easy to achieve, but they were attainable.

"We are not going to have an economic recovery this year or next, but economic recovery there is going to be."

Mr Lange said the recent recovery in the world economy would slow this year as growth slowed in the United States. Commentators were divided on the prospects for growth in the US economy, but the bulk of informed opinion held that a transition to a slower and steadier rate of growth was under way.

That was critical for the world economy and it was critical for New Zealand's recovery.

Mr Lange predicted that New Zealand's current account deficit, standing at more than \$2.1 billion for the current financial year, would improve sharply.

The deficit would fall to less than \$1.2 billion in 1985-86 as a result of the devaluation and associated measures.

Exports would continue to grow, but the Government expected growth in imports to slow and then fall by more than 4 percent in 1985-86.

The deficit in payments and credits on invisibles would continue to deteriorate. The flow of private credit into New Zealand was expected to slow as a result of downward pressure on interest rates.

Net official overseas borrowing was forecast to fall to zero in 1985-86. On that basis, official overseas debt was forecast to rise to \$14.6 billion at June 30, 1985 and remain at that figure at June 30, 1986.

Forecasts suggested that real gross domestic product would grow by about 4 percent this financial year and by 0.5 percent in 1985-86. The fall in domestic demand was expected to be offset by a strong contribution from the external side so that overall activity was maintained at round the current high level.

Mr Lange said consumer spending was expected to slow and turn down after the March quarter this year and continue into 1986.

The increase in consumer prices was likely to reach its peak when the budget price increases and the effects of devaluation had flowed through in the March or June quarters this year, and fall away after that.

Mr Lange said factors working against any re-acceleration of inflation were increased access for imports, weakening domestic demand, the effect of reasonable wage rounds and the impact of inflationary expectations of the reduction on the fiscal deficit.

Unemployment was expected to continue to grow but at a slower rate. Unemployment was not expected to rise with the natural increase in the labour force probably being offset by a net migration outflow.

Mr Lange said what was essentially happening in the economy was that while national income was expected to grow slightly, national expenditure was expected to fall.

"As a country we shall have moved closer to living within our means at the same time as we are shifting the resources which will enable us to enhance our income in the future."

Open

Mr Lange said he did not underestimate the economic difficulties which the year would bring, but the Government was determined to be as open as it could about the real costs and benefits of the changes taking place.

"When it does that it allows itself to be measured by the sternest test of all which is fairness. We may not always pass the test but that is our measure and that is the standard we shall do our best to reach."

Mr Lange said the process of change was essential if New Zealand was to recover. The Government was determined to persist in that policy because it was convinced that there was an overwhelming will in New Zealand not to resist that change, but to welcome it.

Mr Lange said the process of change carried with it the great opportunity to make decisions about the kind of society that New Zealand was going to be in the future.

Tomorrow's New Zealand would not be like today. Consensus politics of the past was essentially the resolution of the differences which occasionally arose between interest groups who were all beneficiaries of great prosperity.

It involved no real change, it was easy.

"When I was Leader of the Opposition I put forward the politics of consensus as the alternative to the politics of confrontation. I did not suggest it would be easy. In New Zealand which is in a ferment of change, it is dauntingly difficult."

Mr Lange said last year's Economic Summit marked the end of the politics which maintained the position of one interest group at the expense of the rest. That was the true importance of the summit conference; it allowed opinion about the development of the economy to be expressed from all sectors and across all interests.

Mr Lange said the Government aimed to be fair. It acknowledged that some in the community might feel that they had not been properly heard, for example, farmers.

Mr Lange said that with the process of change such as New Zealand was now undergoing it was inevitable there would be tensions in industrial relations.

The next wage round would be fraught with difficulty. The fall in living standards which had been carried this year would be hurting by then and business was unlikely to be in a responsive mood.

The tripartite consultations which would precede the round were likely to be timed for June or July. "Before then we shall look closely at the structure of the talks so we are better placed to reach understanding between all three parties and avoid the stand-off which happened late last year."

## Unions

Mr Lange said good industrial relations were not achieved by attempting to weaken unions. Unions could not be expected to play a responsible part in the rebuilding of the economy if their worth was discounted.

"Let me say that one of the objectives I have set myself this year is to meet more farmers, to see some practical farming and to broaden my own experience of the farm sector."

The restoration of the unqualified preference clause was an essential part of the process by which trade unions were restored to their proper place in the mainstream of economic and social life.

Mr Lange said some might ask why a Government which had set out to allow market forces to operate in areas where they did not operate before should decide to require individuals to join a union.

The reason was simple. The market could not be allowed to do what it did badly and it would not of its own accord adequately protect the interests of the people who work.

Only trade unions could do that.

Mr Lange said economic growth did not in itself mean social justice. The Government's commitment to the stimulation of economic growth was underpinned by its commitment to the fair distribution of income.

That would depend on the fair distribution of the social security benefit system and the personal income tax system.

Personal incomes could not be asked to carry a greater burden of taxation without forever destroying the incentive to earn and produce. The shift towards indirect taxation would broaden the tax base and would enable the necessary processes of fair distribution to take place without undue disruption.

Mr Lange said the Government intended to remove some of the anomalies in the tax and benefit system in time for the 1985 budget.

## Unvoiced Inflation Worries Crothall

Wellington THE EVENING POST in English 8 Jan 85 p 2

[Text] No attention was paid to inflation in Mr Lange's state of the nation address yesterday, the New Zealand Chambers of Commerce president said today.

Mr Frank Crothall said from Christchurch that the chambers could see little improvement in the coming year because of the economic situation.

"We are still anxious to see inflation come down and Mr Lange did not mention inflation."

Mr Crothall said the chambers were also anxious about the interest rates being paid and would like to see them drop.

A dominion office holder for Federated Farmers, Mr Ken McDonald of Whakatane said they were encouraged that the Prime Minister and senior government ministers were realising that traditional agricultural products were still badly needed.

New Zealand Retailers' Federation secretary Mr David Lonsdale said the federation recognised that it was going to take some time to bring down the internal deficit and balance of payment.

He said the federation saw the retail market being very confused with sales being difficult in the second half of 1985 and then being artificially stimulated towards the end of 1985 and the first quarter of 1986 before the introduction of the goods and services tax.

"The second quarter of 1986 will again be a very difficult period after the introduction of the goods and services tax. So retailing is not a clear barometer.

"It will be complicated by the fact of goods and services tax."

#### 'Things Left Unsaid'

Wellington THE EVENING POST in English 9 Jan 85 p 14

[Editorial: "Long View Does Not Reveal All"]

[Text] Despite the wide-ranging nature of the look into the future speech by the Prime Minister Mr Lange at Whakatane, lots of things were left unsaid.

For instance, if an economic recovery is not going to come this year or next according to Mr Lange, when will it come?

Delegates to the economic summit were told to look for ways in which the Government's objectives, including sustainable economic growth, could be achieved within 10 years. That is an extra long time in politics. It is also good ammunition for political opponents. Will voters have the patience to wait that long, trusting in receiving awards some time in the future? Will party members be prepared to accept the current means used to achieve the objectives?

Mr Lange predicts that all political parties this year will discuss fundamental questions of economic and social organisation. He stresses the importance of that process which allows the political parties to become a true expression of the wishes of the community.

But what if enough members of his own party in such discussions seek to modify or reverse his Government's style of economic management?

It is well known that many of his own party are angry and confused over the Lange Government's "more market" decisions. They will be giving vent to those feelings at regional and national Labour conferences.

When Mr Lange says of political parties that they cannot cling unthinkingly to the policies and philosophies of the past is he talking in particular about followers of traditional socialist ideology in his own party?

Mr Lange talks of an economic objective of fair distribution of income but does not define his interpretation of the word "fair."

Before any money is taken from anybody to help the poor we do not know what account is to be taken of fair reward for factors like initiative, hard work, creativity, and reduced income in early years while qualifications are earned. Fairness is more than lifting people from poverty and other disadvantages.

Mr Lange correctly says personal incomes cannot carry a greater burden of taxation without destroying the incentive to earn and produce. Perhaps the task force looking into reform of welfare benefits and personal income tax will interpret what is meant by fairness.

Security for a small nation like New Zealand can only come through alliance with more powerful allies, according to the familiar argument. Protection under America's "nuclear umbrella" through our membership in Anzus is part of that argument.

A contrary line by Mr Lange maintains that the proposed South Pacific nuclear weapons-free zone is essential to New Zealand's security. The region cannot be secure if it becomes the focus of strategic rivalry between the nuclear powers, according to Mr Lange.

If results of Labour's economic policies are going to be some years away from producing economic recovery we may not have to wait so long to see the results of the policy on exclusion of nuclear warships.

The six months America provided for New Zealand to work out its intentions is just about expired. America can choose to purposefully test our Government's will and the future of Anzus. That can be done by seeking permission for a port call by a ship obviously capable of carrying nuclear arms.

Then we can all see if the common interest is so overwhelming that differences between three allies over nuclear weapons can be resolved within Anzus as claimed.

CSO: 4200/488

NEW ZEALAND

BRIEFS

DOLLAR AT ALL-TIME LOW--The New Zealand dollar hit an all-time low against the United States dollar when foreign exchange markets reopened today after the New Year break. The Reserve Bank set its trade-weighted mid-rate at \$US0.4761 compared with a previous opening low of \$US0.4793 on December 27 and 28, 1984. Dealers said the market had virtually run out of steam and predicted it would be Friday before trading picked up. They said with overseas markets closed for New Year's Day, rates had been influenced by the strength of the US dollar at the end of 1984. [Text] [Wellington THE EVENING POST in English 2 Jan 85 p 3]

LAMB BARTER WITH POLAND--PA Wellington--A \$40 million lamb barter deal with Poland has been confirmed by the Meat Board. The deal involves about 18,000 tonnes of lamb intended for use in Polish hotels and restaurants and will bring to New Zealand supplies of heavy industrial equipment. Sample shipments of 600 tonnes of lamb were sent to Poland earlier last year and were paid for with mining equipment for use at the Huntly coalfields. Future supplies of equipment will be provided for big projects and to third markets. The end-users of the equipment will pay the Meat Board. Mr Baden Roberts of Neill Cropper and Company, Ltd, who acted as the Meat Board's agent, said that in taking up the deal the Poles had ignored overtures from the European Economic Community to supply much lower-priced beef and pork. The reason was that the Meat Board contract offered long-term prospects rather than one-off opportunity, he said. Mr. Robert said that there was potential for more barter trade in Europe and his company had initiated talks with three countries on the basis of supplying New Zealand sheepmeat. [Text] [Christchurch THE PRESS in English 2 Jan 85 p 2]

NUCLEAR DEBRIS WORRIES--PA Wellington--Winds could quickly carry radioactive nuclear debris toward New Zealand from possible French nuclear tests at a proposed new test site in the south Indian Ocean, according to a New Zealand meteorologist. A senior French diplomat in Australia, Mr Bernard Ledun, recently nominated the French-owned islands in the remote south Indian Ocean sub-Antarctic waters as the next test site, possibly to be used in 10 to 15 years time. He said the move, since denied by the French Defense Minister, could be forced by the likely independence of French Polynesia. France has used Mururoa Atoll for testing since 1966, conducting 41 atmospheric tests and more than 65 underground tests. The meteorologist, Dr Brett Mullan of the



New Zealand Meterological Service said if France resited its nuclear weapon test site from Mururoa to the Kerguelen Islands, New Zealand would lie right in the path of wind-borne radioactive pollution carried by Roaring Forties westerlies. The suggested new site, though about 8000km west of New Zealand lies in a similar latitude to southern New Zealand. Dr Mullan, said any atmospheric nuclear debris would be much more likely to reach New Zealand from the Kerguelens than from Mururoa. [Text] [Christchurch THE PRESS in English 4 Jan 85 p 4]

CSO: 4200/472

PHILIPPINES

TEXT OF MALAYA ARTICLES ON EARLY ELECTION, KBL REBUTTAL

'Reliable Sources' Cited

Quezon City ANG PAHAYAGANG MALAYA in English 7 Jan 85 pp 1, 8

[Text] Presidential elections may be held in April or May this year, two reliable sources told Malaya yesterday.

One source close to the ruling party said the Kilusang Bagong Lipunan will discuss in caucus today the holding of synchronized local and presidential polls apparently because of the reported deterioration of President Marcos' health.

The source said a group of KBL solons led by MP Leonardo Perez (Nueva Vizcaya) will propose the synchronization of the polls within the year ostensibly "to put order in the crazy schedule of elections."

The election schedule appears almost yearly as the local and presidential polls, scheduled for 1986 and 1987, respectively, are to be followed immediately by the 1988 barangay elections and the 1990 parliamentary polls.

The KBL caucus at Malacanang, to be presided by President Marcos himself, will "try its best" to get the approval of the synchronized polls scheme, the source said.

Another Malaya source, who requested anonymity, earlier disclosed that the Commission on Elections was instructed last week "to get ready" for such an exercise, raising further the prospects of synchronized polls this year.

The election, however, may be called even earlier than May, as predicted last Jan., by Unido President Salvador H. Laurel. The election may be called in April, or before the retirement of at least three Comelec commissioners.

Highly reliable Malaya sources said Comelec chairman Vicente Santiago met his key men late last week and told them to be on the alert, as presidential elections would "most likely be held" this summer.

The President's views on the polls synchronization remains a big question. It is not known if the ruling party will announce the results of its closed

door discussion on the matter although a newspaper editor told Malaya that Malacanang has "alerted" editors of major establishment dailies for "possible major decisions in the caucus."

Earlier, former senator and opposition leader Salvador Laurel and MP Homobono Adaza, predicted that the President may call within this year synchronized local and presidential polls.

The two opposition leaders said the polls synchronization is part of a design to carefully install First Lady and Human Settlements Minister Imelda Marcos in the presidency in what is generally believed as a last-ditch effort to save the falling regime from complete collapse.

A source close to Mrs. Marcos confirmed that the First Lady "is almost certain" to win the presidential nomination of the KBL, saying that "she has set her eyes on the presidency."

According to the Malacanang press office, today's KBL caucus at 10 a.m. is meant to "finalize the blueprint of vital national and international initiatives the country will pursue in 1985."

Among these, according to Information Minister Gregorio Cendana, are the Philippines' stand on the need for the restoration of the natural environment for the benefit of mankind and the mechanics of implementing the economic recovery program.

Cendana said the caucus will be preceded by a Cabinet meeting both of which will be presided over by the President.

During the Cabinet meeting, the President will receive reports of the various ministries on their programs of activity for this year as well as the problems and proposed selections to be adopted by their respective ministries.

Both the KBL, caucus and the Cabinet meeting are being held for the first time this year.

Prime Minister and concurrently Finance Minister Cesar Virata and Trade and Industry Minister Roberto Ongpin are expected to brief the President on the status of the revitalized export program while Agriculture and Food Minister Salvador Escudero III will discuss the productivity drive.

Defense Minister Juan Ponce Enrile is expected to report on security and peace and order.

On the other hand, Budget Minister Manuel Alba will line up further austerity measures that the government may take this year.

The reports will then be discussed with the party hierarchy which, under the parliamentary system, is the highest advisory group to the President.

Also to be taken up during the caucus is the party stand on issues pending before the Batasan which resumes its session on January 14 such as Amendment no. 6, the local and presidential elections, and the succession law.

Invited to the caucus besides members of the Cabinet are members of the Batasang Pambansa, regional party chairmen, provincial governors and city mayors, and other party leaders.

Meanwhile, President Marcos yesterday directed Deputy Prime Minister Jose Rono, secretary general of the ruling Kilusang Bagong Lipunan (KBL), to give top priority to the passage of the Agricultural Incentive Bill in the 1985 legislative program of the Batasang Pambansa.

In his instructions to Rono, the President stressed the need for an effective agricultural incentive system which will spur agricultural production.

The President cited the government's recent policy of decontrolling prices of agricultural products as the most important incentive for agricultural production.

As a result of this policy, the President said, farmers can now get better prices for their crops.

The President also cited the increase in government support prices for palay from P2.90 to P3.35 a kilo.

#### Technocrats Reject Idea

Quezon City ANG PAHAYAGANG MALAYA in English 8 Jan 85 pp 1, 8

[Text] President Marcos yesterday squelched speculations that the 1986 local and 1987 presidential elections would be synchronized this year, and said the polls will be held as scheduled.

The President's recommendation was unanimously approved by the ruling Kilusang Bagong Lipunan at a party caucus at Malacanang which followed a two-hour long Cabinet meeting the President himself had presided.

The party said in a statement released after the caucus that "there is no reason to disturb the historic appointment as mandated by the Constitution for the people to choose their leaders."

Before yesterday's meeting, speculations were rife that the KBL would decide to call a special election in May or synchronize the local and presidential polls in view of what is generally regarded as the deteriorating health of President Marcos.

The special polls, opposition observers had felt, would seek to install the First Lady Imelda Marcos as her husband's successor and keep the regime from crumbling completely.

A Malacanang statement said that the announcement that no polls would be held this year has "squashed the fast-track moves of the Convenor Group" which is preparing for special elections this May.

The ruling party also accused the Convenors--which it labelled as "a new group of dubious political authority"--of violating the constitutional provision that elections for president will be held in 1987.

It said that the presidency, "a position that has been vested with the dignity of the sovereignty of the state" is not won by "fraud, misrepresentation, force or deceit."

Elections for mayor are scheduled for January next year and the next presidential polls will be held in June 1987. The ruling party had considered earlier the synchronization of the two polls and a group headed by Political Affairs Minister Leonardo Perez (Nueva Viz.) reportedly had made provision for this.

Sources close to the KBL told Malaya the synchronization scheme was blocked by a group of technocrats who advised the President that any election "within this year is ill-timed" since the country has yet to recover from the current economic crisis.

The technocrats led by Prime Minister Cesar Virata and Industry and Trade Minister Roberto Ongpin, reportedly told the President the KBL would be wiped out at the polls because the economy has not yet moved on the upswing Malaya sources said.

The technocrats also cited the government's commitment to the International Monetary Fund (IMF) to undertake economic adjustments and assure payments of its staggering \$25 billion external debt.

Elections are said to be inflationary and if held this year, would adversely affect the country's economic adjustment.

Virata had earlier said the country has entered into an agreement with the IMF whereby an IMF team will monitor the country's economic performance every three months.

The agreement further says that the IMF can cut off any time the \$650 million standby credit it has given last December once the government fails to enforce the adjustment measures contained in the government's letter of intent to the IMF.

The standby credit will be given in 7 installments every quarterly: \$85 million special drawing right (SDR) for the first 6, and \$105 million SDR for the last.

In announcing that the 1986 local elections and the 1987 presidential elections will proceed as scheduled in accordance with the Constitution, the KBL majority also virtually froze all bills before the Batasang Pambansa calling for synchronization of elections.

Facing elections in 1986 will be the governors, municipal and city mayors, members of the Sangguniang Panlalawigan and members of the Sangguniang Pambayan.

The Batasan will now have to pass the omnibus electoral code which will fix the dates of the 1986 local elections and the 1987 presidential elections.

The caucus held out the possibility that the 1986 local election would be held in May, instead of January as popularly believed.

Although the majority acknowledged the merits of the proposals to synchronize the elections, the President said that postponing any of the forthcoming elections might be misinterpreted by the people as an indication that the KBL is suing for time before the next election.

The President described the opposition as being "so frightened by the prospects of an election in 1985 that they have had to organize in Europe, Hong Kong, and the United States. They must think I have recovered already, which is correct."

The KBL assailed the Convenor Group likened to as "a dictatorial bunch of 11 presidential pretenders with a penchant for sloganeering."

Commenting on the Convenor's proposal for the unconditional removal of American military bases here, Information Minister Gregorio S. Cendana said that it has been a basic policy of long standing to allow the existence of the military bases for mutual defense purposes of the Philippines and the United States.

Contemporary developments in the region after the fall of Vietnam and its conversion into a base for the buildup of Soviet military strength in the Far East gave further mandate to these bases--to counter the rising Soviet presence and therefore preserve the necessary balance of power in the region, Cendana added.

Further, their removal will adversely affect our long history of friendship and traditional alliance with the United States, according to the Information Minister.

Meanwhile, the Comelec yesterday denied knowledge of any plan to hold presidential election this year.

Chairman Vicente M. Santiago, Jr. belied published reports that "he met his key men late last week and told them to be alert as presidential election would most likely be held this summer."

Santiago said he never called the officials to a meeting. He said the managers of the Comelec's various departments and offices went to his office "on their own volition" to greet him. It is traditional for the official and employees of the Comelec to pay a courtesy call on the chairman at the start of the New Year, according to the Comelec head.

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PHILIPPINES

PARTY, PAPER CRITICIZE LAUREL'S PRESIDENTIAL BID

'Severe' PDP-Laban Criticism

Quezon City ANG PAHAYAGANG MALAYA in English 7 Jan 85 pp 1, 2

[Article by Ben Evardone]

[Text] Bacolod City--Unido president Salvador H. Laurel's announcement that he would seek the presidency if a special election is called, drew severe criticism here from various ranking leaders of the PDP-Laban.

PDP-Laban Luzon Council chairman Toefisto Guingona called Laurel's announcement, made two days ago in Manila, "unfortunate and divisive" which dimmed further the opposition's chance of putting up a common ticket against the ruling party.

"His (Laurel's) announcement has widened further the disunity of the opposition," Guingona said. He is one of 9 potential presidential candidates named by the Convenor Group who could be nominated to head an opposition ticket under the "fast-track" formula of challenging Marcos loyalists in an emergency election.

Davao solon Zafiro Respicio said Laurel's declaration of his candidacy has left the upcoming national convention of the United Nationalist Democratic Organization (Unido) to choose the united opposition's standard bearer a "mere coronation."

"I thought they (Unido) are more democratic (than the Convenor Group). The forthcoming convention of the Unido will now be a mere coronation," Respicio stressed.

He expressed the hope, however, that the splintered political opposition could still find means to unify and topple the Marcos regime.

Laurel refused to sign a "unity pact" with with Convenor Group and the 9 presidential hopefuls during a Dec. 26 meeting on the ground that the exercise was not democratic and he disagreed with them on the principal of an unconditional removal of two United States military bases here.

Laurel and the National Unification Committee at the Unido instead proposed the holding of a national convention where all opposition groups and the various sectors are represented. The convention, slated for Feb. 9, would pick the opposition standard bearer who would run against a KBL ticket, possibly headed by First Lady and Human Settlement minister Imelda Marcos.

Eva Estrada Kalaw, who heads the splinter group of the Liberal Party, also refused to sign the "Unity Pact" and pulled out her name from the presidential pool on the ground the "fast-track" formula of the Convenor Group was "undemocratic."

PDP-Laban national chairman Aquilino Pimentel, Jr., reserved comment on the Laurel announcements but said the Unido head's declaration of his intention to run is only "ordinary to politicians. It can still be changed."

"Laurel's statement is a political announcement. It is not decisive. There were candidates in the past who had withdrawn from the race," Pimentel said during a breakfast conference with local PDP-Laban leaders and members of the Baghimatuk, a lawyers group devoted to human rights cases in Bacolod.

Pimentel said he was scheduled to meet with Laurel and ex-Sen. Ambrosio Padilla in Manila to discuss the various proposals regarding the Convenor formula for the selection of a coalesced opposition candidate.

Defending the Convenor formula, Pimentel stressed that it was set up only as a response to an anticipated emergency to allow opposition groups to unify themselves.

Pimentel has held out the hope that the widening rift now plaguing the opposition would be patched up before any national election is called to replace the incumbent president.

Lesser opposition leaders in Negros Province also unloaded biting tirades against Laurel, branding his announcement as "elitist, undemocratic and disastrous to the opposition efforts and unification."

"Why is it that he has to declare his candidacy when the Unido is still set to hold a national convention in February to choose its potential standard bearer?" lawyers Renecio Espirito and Juanito Amihan of the Union of Lawyers for Justice, asked.

"This is a pure and simply undemocratic gesture," they added.

#### Editorial Demands Explanation

Quezon City ANG PAHAYAGANG MALAYA in English 7 Jan 85 p 4

[Editorial: "Laurel Must Explain Decision"]

[Text] Former NP Senator and Unido President Salvador Laurel has announced that he will "definitely run for the presidency to put an end to the Marcos dictatorship," in an interview with Malaya last Saturday.



This was a stunning declaration because only a few days before, he had announced that Unido leaders would meet early in February to decide on the rules for the selection of the party's presidential standard bearer.

Something crucial and impelling must have goaded Laurel into making the sudden announcement, such as a decision of President Marcos to resign and to hold the presidential election by April where the President's wife, Imelda, will be the KBL bet.

Laurel's announcement of his candidacy was undoubtedly made to preempt other opposition aspirants from getting the nomination--to insure that he (Laurel) will be the opposition bet.

Is the Laurel announcement wise, considering that his decision was apparently his alone, and not made by a Unido convention, neither by the Unido's Council of Leaders?

What will be the reaction of the other anti-Marcos elements--the Liberal Party, the PDP-Laban, the Convenor Group, and the rest? Certainly, they will say that Laurel's one-man decision is arbitrary and against the time-honored democratic practice of picking candidates by convention. This is why the Convenors' Group plan has aroused so much opposition: its plan to selection is anti-democratic.

There is no doubt that the former NP senator is most deserving of nomination by the opposition. As Unido head, he managed to convince the different anti-Marcos sectors into a coalition and led the campaign of the united opposition which culminated in the election of 59 candidates to the National Assembly, against terrific odds.

There is likewise no doubt that Laurel's Unido has a trump card. As the dominant opposition party, the Unido will be entitled to an inspector in all voting centers throughout the country.

But his sudden announcement that he will run is disconcerting. It may lead to the permanent fragmentation of the opposition, in which case the KBL will easily walk away with the presidential election.

Laurel must explain the reasons behind his sudden decision. He must placate the other opposition leaders. If he cannot win over these leaders, then he should reconsider his decision and let a convention do the choosing.

Otherwise, goodbye presidential election.

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PHILIPPINES

PC COMMANDER CRITICIZES GOVERNMENT 'OVERREACTION' TO DISSENT

Quezon City ANG PAHAYAGANG MALAYA in English 7 Jan 85 pp 1, 6

[Article by Greg O. Refraccion]

[Text] Balanga, Bataan.-- The newly-assigned PC provincial commander here has criticized the government's over-reaction against those who opposed its policies.

Lt. Col. Jose Andaya, who replaced Col. Cesar I. Alvarez, told newsmen after the turnover ceremony the other day that there is something wrong with the government's drive against insurgency.

"If a person voices out his grievances against a certain policy, the government is quick to tag him or her as a subversive," Andaya noted. According to him, the people should be given more leeway in airing their gripes as this is a healthy democratic practice.

Andaya, an alumnus of the Philippine Military Academy class 1967, said that he will adopt a new approach to counteract insurgent activities in Bataan.

The primary objective of his command, he said, is to put an end to the reported widespread terroristic activities by subversives in some parts of the province.

"If we can control the subversives, the rest is easy," he pointed out.

The new provincial commander refused to divulge the strategy he has adopted in the counter-insurgency drive, but assured newsmen that the same humanistic and legalistic approach successfully implemented by Col. Alvarez would be maintained.

He said he favors a continuous dialogue with people from all walks of life in an atmosphere of freedom and where various viewpoints and sentiments could be expressed without fear of reprisal.

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PHILIPPINES

TREATISE URGES 'VIGOROUS RECREATION' OF CONTEMPORARY SOCIETY

Quezon City THE DILIMAN REVIEW in English Vol 32 No 6 Nov-Dec 84 pp 3-11

[Article by A. R. Magno: "Chaos In Search of a Paradigm." Article illustrated by various line drawings and photos of striking workers, marchers carrying banners and posters, civilians brandishing guns and bladed weapons, police in riot gear, and people waving clenched-fist salutes; a typical slogan reads: "Boycott U.S.-Marcos Elections."]

[Text] New societies cannot but be born from the womb of old societies. And societies brought to life by the conscious intervention of men into the flux of historical events must, by necessity, be created from circumstances carried by the past to the present. From the phenomenological debris adrift in the old historical stream, reformers and revolutionaries build the political dam that shall turn the tide with finality and redirect the flow of the socio-historical process towards a new future, a genuinely new society.

So that the future shall not be a pathetic caricature of its immediate past, the present needs to be vigorously recreated. Such recreation can be done only after impregnating old situations with a new understanding, discovering new meanings in the turn of events and appreciating the potentials, for transcendence, innate to the dynamic of current circumstances. The future will have to be uncovered from the present--and that uncovering is preconditional to the adequate praxis of transformative struggle.

The More Things Change...

One year after the Aquino assassination unleashed tidal waves of popular protest, it appears as if the configuration of political forces in Philippine society is still very much as it was before blood splattered the tarmac and ineradicably stained an already inglorious epoch.

The sharp drop in the credibility of the ruling faction and the rapid erosion of its legitimacy in the popular mind has not substantially scraped away the regime's democratic sentiment. The drastically narrowed range of political options open to the ruling faction resulting from the most severe crisis of Philippine capitalism has not been converted into visible assets by the anti-Marcos and democratic forces, assets that may be utilized to influence regime behaviour and cause popularly beneficial concessions.

It is inviting to conclude that, though the last twelve months of tumult, the ruling faction has cleverly crossed the tightrope between the tottering economy and the buffetting winds of popular protest, hedging on its diminished political capital and plugging leaks in the financial dikes, combining with great precision both repression and concession to avert the final precipitation of a tense political atmosphere, and effectively orchestrating both rearguard and remedial actions to prevent the economy from falling through.

After twelve hectic months, the authoritarian regime installed twelve years ago through the imposition of martial law is still definitely (although now, more precariously) in place. The last strip of confetti has yet to fall along Ayala Avenue and the battle lines are more clearly drawn: but it appears like the combatants have beat each other to a mutual state of stupor and the political situation is fast settling into a protracted stalemate that can only be broken by some historical accident of grand scale.

The rallies have increasingly taken on the ambience of rituals. The parliamentary opposition had been effectively contained and relegated to mere political sniping. The repressive responses of the regime is coldly calibrated so that the political boat does not rock too much in the midst of an economic storm. The armed revolutionary resistance is kept constantly off-balance by selective but comprehensive military counteraction. The trade unions are kept from effectively consolidating into a potent political factor. The middle classes are allowed to let off harmless steam. No political force nor faction is in any immediate position to gain decisive advantage. The general political configuration is much starker but basically intact, the alliances and alignments basically the same.

The political situation for the moment invites affirmation of the French aphorism: the more things change, the more they remain the same.

Such a situation demands, at the same time, a fundamental rethinking of assumptions, premises and paradigms.

### Recycling the Old Order

The regime's efforts at "crisis management" over the last few months may count as a classic study in political survival and regime preservation.

The crisis of neocolonial capitalism gripping the Philippine economy is of profound scale. And the crisis had begun to feed on itself.

The massive accumulation of trade and budgetary deficits created fundamental instabilities in the monetary system. Combining with the depression in the prices of our main exports, the impact of international inflation on the value of our necessary imports, the gross mismanagement of domestic capital derived from external borrowing and the heavy burden of financing our mammoth foreign debt, the aggregate pressures proved too much for our economy to withstand. The neocolonial nature of the economy constrained it from developing a strong, internally disposed and self-reliant basis. The entire economy was uninsulated from the unpredictabilities and whimsicalness of the international capitalist system. It was entirely dependent on the uneven dynamic of production and

exchange dictated by the needs of the core capitalist economies. So that even while the immediate and specific characteristics of the economic crisis may be traced to the deficient and contradictory policies of the authoritarian Marcos regime, its ultimate features shall have to be rooted in the neocolonial structure of the economy--for it is only within the terms defined by this historical structure that the current crisis becomes even a possibility.

The sum of the factors mentioned above reflected in the domestic economy first in the swift deflation of disposable capital and in a telling shortage of foreign exchange. The deflation of the volume of investible capital quickly translated into a paralysis of the financial network. This paralysis, in turn, reflected in a sharp drop in confidence that spurred a massive capital hemorrhage from the domestic economy. Finance corporations closed down one by one, followed closely by a liquidity crisis affecting major industries. The panic was fueled further by the political uncertainties arising from the Aquino assassination and disinvestments in industries further crippled the operation of the economy.

Retrenchments and closures pushed up the unemployment rate dramatically. Rising unemployment further contributed to the shrinkage of the market. Hyperinflation coming as a consequence of IMF-prescribed devaluations further depressed the purchasing ability of the domestic market and intensified the cost-push in prices. As demonstrated by the last three instances of devaluation, such 'remedy' contributed little if any to the expansion of our exports--characterized as our exports are by relative inflexibility in demand plus the fact that devaluation only minimally alters the dollar prices of our exports. While devaluation does encourage a shift in domestic production towards export (which is itself no desirable), it does not necessarily expand external markets for whatever we want to sell. What is definite is that devaluations push up the domestic prices of imports that we cannot do without (i.e. oil).

Rising unemployment and hyperinflation deepened the instability of the manufacturing sector of the economy. Plant shutdowns created general uncertainty. The depressed value of wages reflected in social and political stresses: labor agitation, strikes a worsening actual crime rate.

IMF insistence on its 'remedies' forced unpopular options on the regime. Policies designed to "mop up excess liquidity" were intrinsically recessionary and shall reflect in further instabilities in the urban economy. Further devaluation shall provoke popular pressure for wage increases that shall force small and intermediate capitalist out of the market.

The reluctance of the regime to accept all the recommendations of the lending institutions--both the unpalatable economic policies and those recommendations affecting the political hegemony of the ruling faction--is quite understandable. The reluctance and/or inability to meet the demands of the lending institutions (the IMF in particular) in turn resulted in damaging delays in the acquisition of "standby credits." These delays in turn contributed to the further tightening of the financial crisis and consequently the deepening of the economic difficulties unsettling Philippine society.

Mismanagement of major capital-intensive ventures by "crony capitalists" further aggravated already existing difficulties. When a number of banks consequently became insolvent, the already diminished credibility of the financial system suffered more severe erosion before a wave of popular panic.

In spite of the complex difficulties in the economic sphere, the ruling Marcos faction found sufficient space for deft maneuvers. The IMF injunction against "excess liquidity" notwithstanding, the regime plowed back billions of pesos into the economy to salvage collapsing banks and insolvent enterprises. It pushed for a larger government budget--in spite of spiralling deficits--to cushion the politically damaging recessionary plunge. The regime sought to sidestep adverse public reaction to the economic crisis by pinning it on "external forces," such factors interpreted as if they were forces majeures over which no one bears responsibility and before which we are all powerless to counteract.

The various debates that raged around the question of the economic crisis saw the low articulation of the working class standpoint. Consequently, the various strands of bourgeois interpretation became better popularized. The best articulated proposals for recovery, whether emanating from regime apologists or from the bourgeois opposition, all tended to revolve around the axis of remedial action towards stabilizing the neocolonial capitalist order. All such proposals, beyond the secondary variances, in the last analysis propose only one thing: the neocolonial order shall be recycled, adjusted to new conditions but retaining its fundamental characteristic of external dependence. The new shall be but a deodorized reissue of the old.

Surprisingly, in the debate between the regime and the dissenting fractions of the bourgeoisie, the former took a more distinct nationalist posture. The bourgeois opposition, gathered around the nexus of the Unido-Makati Business Club-Center for Research and Communication--U.P. School for Economics, argued for complete subscription to the "efficient" international division of labor of the world capitalist system as embodied in the recommendations of the IMF. Regime apologists (other than the technocratic faction) hedged on the maintenance of protectionist barriers, resisted the complete liquidation of the industrial sector, opposed the freezing of wages and quibbled on the complete floating of the currency. It must be understood that this nationalist posturing was due not to any deep-set nationalist vision of development but to the devastating political costs to the ruling faction that is implied by absolute subordination to IMF recommendations. The freezing of wages may stabilize the position of entrepreneurs but it will send the workers to the barricades. The complete dismantling of protectionist barriers will benefit entrepreneurs in the mercantile sector but shall completely demolish Filipino manufacturers (whether crony or not). The free float of the currency shall wash away whatever is left of the regime's credibility.

#### Political Reproduction

The ability of the regime to make room for maneuver in the economic sphere derives from the relatively effective control it was able to maintain in the political sphere. Such control, in turn, derived from the inability of the anti-Marcos and democratic forces to focus pressure on those points where the

regime was most susceptible as well as maintain a high level of consolidation required to keep the Marcos faction on the defensive.

The massive outpour of popular protest immediately after the Aquino assassination caught the regime off guard. It also, for that matter, caught the anti-Marcos opposition and the revolutionary resistance unprepared. The ruling faction had assumed that it commanded the support of at least a critical mass of the population, a percentage sufficient to keep the center of gravity of the political configuration securely on the side of the regime.

The anti-Marcos elite opposition had the personalities and a populist handle on the issues that could animate popular disenchantment and direct it to achieve concrete political results; but they had no political organization to speak of and were eternally unable to convert the popularity of their rhetorics into a material factor they had full command of. Unable to exercise strategic direction over the restless masses, they were reliant on the electoral medium to achieve concrete gains. That medium, however, allowed the regime to maximize its advantages.

The main organized forces within the Filipino left, on the other hand, were disposed towards building armed revolutionary forces in the countryside. They had neither fully developed urban political forces nor a revolutionary strategy that could appropriately direct the urban multitudes politically activated by the Aquino assassination. Rather than explore and develop new strategic lines that could assure the sustained politicalization of the urban masses and maximize the political potential of their current agitation, the main organizational tendencies within the Filipino Left took a conservative position and affirmed the traditional strategic line that put principal emphasis on countryside revolution.

Because of the respective dispositions of the three main political forces, particularly the disposition of the latter two since these were of immediate significance to the mass outpouring of discontent, the popular upsurge in the urban centers failed to develop early on a strategic characteristic and a clear logic of progression.

Without a comprehensive strategic vision that takes into full account the characteristics and potential of the politically activated urban population, the enthusiasm for political engagement widespread after the Aquino assassination could not be precisely situated in terms of immediate tactics and long-term strategy. Without a conscious logic of development, the protest actions in the cities failed to develop a forward perspective poised towards achieving immediate gains and gradually escalating towards the achievement of major objectives. Eventually, the protest actions in the cities began moving in circular motion with rallies and demonstrations becoming more like rituals of rage revolving around generalized demands and without achieving any lasting tactical gains.

The actual power and potential of the spontaneous urban outpouring may be indicated by the decisive rejection of the Fernando Commission and the crippling boycott of the establishment press. The popular energy behind massive protest

actions in the urban centers gradually dissipated in repetitive rallies that did not convey to the masses a concrete line of advance. The main organizational tendencies within the Filipino Left placed no strategic significance on the urban arena of open political engagement and considered it subsidiary to the armed revolutionary resistance in the countryside. The elite opposition, on the other hand, perceived the mass actions merely as occasions to project themselves, ultimately for electoral purposes.

The spontaneous outpour of protest was initially bound by a concrete, tactical perspective that formed the basis of a broad multi-class, multisectoral and multi-ideological popular front. This concrete perspective was encapsulated in the popular slogan "Marcos Resign!"

The popular front premised on the demand for resignation pushed the ruling faction to the defensive. In the democratic space opened by this initial push the "mosquito press" developed and the middle classes took courage to publicly demonstrate their protest in yellow ribbons, bumper stickers and mushrooming suburban political calls to a point where the newly politicized forces—who had yet to find their ideological and practical bearing—were left behind, eventually to disperse to the sidelines to wait for personalities they can better co-identify with and who would lead them out of a condition of confusion. The anti-Marcos elite forces also subtly abandoned the call for resignation to pave the way for electoral participation. The left-wing opposition found the call for resignation delusory because it diverted attention from the "fundamental issues" that must be brought to the attention of the masses. The right-wing of the opposition, in a sense better appreciative of the potency of the call for resignation, feared that it was too drastic. The possible scenarios following the sudden resignation of the President all had one feature: no one, much less the businessmen, would be in complete control of the situation. Such possibility ran against the grain of pragmatism innate to the entrepreneurial class.

The abandonment of the resignation call by both the left- and the right-wing of the anti-Marcos forces swiftly transformed what used to be the potent core of a broad popular front into an impotent vacuum inhabited only by the most stubborn marginal groups. The newly-politicized forces lost their medium for political articulation. The stage was set for the political reproduction of the authoritarian order.

#### Political Breathing Space

The deflation of the broad popular front following the mutual abandonment of the resignation line by the two wings of the anti-Marcos forces allowed the ruling faction enough breathing space to reposition and consolidate.

With the fundamental contradiction between the Left and the business establishment yawning obviously wide, the ruling faction lost no time in driving the wedge even deeper. The President himself called business leaders to several conferences, alternately coercing and cajoling them to remain within the regime's fold. American agents could not, themselves, resist the temptations presented by an unravelling political order as they succumbed to and fro



convincing disenchanted elite personalities to consolidate themselves into an effective force counterpoised against the increasing political encroachments of the Filipino Left. They dissuaded numerous elite leaders to abandon the resignation line and participate in the regime-sponsored elections as a means to achieve stability principally, and perhaps also a viable two-party democracy. It is easy to suspect that the Americans saw the conservative elite politicians and business leaders as viable ballasts to steady the political boat that has begun, at least from the viewpoint of Reaganite paranoia, to keel leftwards. The sum of these efforts had the objective consequence of allowing the regime enough leeway to reposition.

The revolutionary Left, in the meantime, developed no new strategic initiative, preferring to carefully nurse its countryside armed movement which it considers to have progressed well into "the advanced substage of the strategic defensive." The countryside armed movement engaged the regime's armed forces with roughly the same rate of intensification that was seen in the two or three years prior to the Aquino assassination. The guerilla war in the rural areas did not balloon in proportion to the political surge in the cities.

The Marcos regime was fortunate enough to have an election scheduled for May, 1984. This provided an opportunity to further disperse the anti-regime forces by heightening their explicit and latent differences.

The onset of the electoral season saw the anti-Marcos opposition bitterly divided between those who advocated participation in the electoral exercise and those who campaigned for an active and militant boycott of what was considered a "farce." The unorganized and newly-politicized forces who were earlier dispersed to the sidelines by the dissolution of the resignation line cheered the boycott activists lustily from a distance and then cast their ballots for the parliamentary opposition on election day. The dissolution of the broad coalition, built on the call for resignation condemned both the electoral campaign of the parliamentary opposition and the boycott crusade of the militant mass movements to become two distinct minorities. The unorganized and newly-politicized forces were condemned to inarticulateness, with neither leadership nor strategic perspective.

The results of the May 14 elections caused the Marcos faction some embarrassment, specifically because of its spectacular defeat in the Metro-Manila area. Objectively, however, the elections turned in the best possible outcome for the ruling faction. The larger number of oppositionists in the new Batasan lends it relative credibility even as the ruling faction maintains effective "dictatorship by number." The vocal legislative opposition is more noise than substance. The unilateral resolution of the "privilege hour" controversy by the "ruling party" and the facility with which the KBL rammed Virata's election through the opposition gauntlet indicates that the parliamentary opposition is in no position to threaten the essential structures of authoritarianism. Those structures may be better consolidated with the anti-Marcos forces divided and confused in the post-election period. The relative success of the May 14 elections enhances the conditions for the strategic consolidation of the Marcos regime.

It did not take long for the elite-opposition to realize who won the May elections, particularly as Marcos confidently referred to them as "partners" during the opening ceremonies for the new legislative assembly. A score of oppositionist assemblymen opted to join the "parliament of the streets" during the Batasan's opening: a gesture that promises to be more than symbolic.

With urban resistance to its rule effectively contained, save for the occasional nuisance of a mass rally in the downtown areas, the ruling faction found greater confidence in closing down some of the democratic spaces opened by the initial surge of popular protest in the few weeks following the assassination.

The initial eight months after the assassination saw the ruling faction playing the carrot more than the stick. It carefully calibrated its repressive responses, avoiding quite cleverly the tendency to inflame a volatile urban population. It adopted a loosely defined policy of "maximum tolerance" towards mass protest actions in the urban centers, allowed popular agitation to run its course while keeping its anti-communist rhetorical barrage at a constant level. It expertly combined verbal threats with actual conciliatory gestures, left the oppositionist press relatively free to operate, kept the most unpopular characters in its cast at a low profile and constantly appealed to the people to concentrate first on the task of stabilizing the economy. By the last weeks prior to the elections, the flames of public passion that had swept the streets of the urban centers were down to glowing embers of economic discontent. A major government crackdown would have stoked the flames back to life, but the ruling faction patiently bided its time, enduring the temptation to resort to its usual repressiveness.

The weeks following the elections saw the regime shifting gears. The number of boycott activists abducted and summarily executed could be more than coincidence. Soon the number of politically-related areas began to climb. Striking workers were brutally attacked by police and military personnel. More trade union organizers were picked up and charged with links to the underground. Rallies and demonstrations were attacked with gas and soon a ban on rallies was in effect. The headquarters of the Nationalist Alliance was raided by the military and its coordinator, a Catholic priest, was briefly detained and charged with subversion. Later, an exclusive school teacher was arrested and linked to major personalities in the CPP. The teacher was active in the Alliance of Concerned Teachers Writers in the open press soon felt the heat in the form of libel suits involving staggering amounts filed by persons identified with the ruling faction.

In the countryside, the military began moving in force against the lingering armed insurgency: By July, they had mounted a massive campaign in the Cordilleras that appeared bent on dissolving the armed resistance network painstakingly assembled for more than a decade by the revolutionaries of the CPP-NPA. Towards the end of the month, it appeared that a similar campaign was in progress in Mindanao. More significant than the military aspect of these campaigns is the apparent confidence of the regime in ignoring charges of human rights violations. Such confidence dropped markedly shortly after the

Aquino assassination. Recent behaviour suggests that the regime has recovered much of its old capacity for imperviousness.

For the armed revolutionary resistance, the massive military campaign shall put to sever test the adequacy of its strategic line. While there is little probability that the current military offensive shall obliterate the guerilla fighting forces, there is at least a possibility that it may provoke a serious rethinking of revolutionary strategy by the main tendency within the Filipino Left.

#### Dynamic Stalemate

In spite of the great expectations nurtured from the heady days of the "confetti revolution," the political situation has settled into what may be considered a "dynamic stalemate."

While the Marcos regime has largely recovered from its political setbacks during the last months of 1983, it does not appear prepared to make a major push against its opponents. A far-reaching political offensive by the ruling faction may alter the political configuration, unleash new and unanticipated forces, create tensions that may begin to cultivate their own separate dynamics, further politicize the people, draw the Church into a more direct confrontational role and eventually bring forth a new political situation more uncomfortable for the regime than the one presently pertaining. Such political offensive may have the unintended effect of heightening the precariousness of the situation in the economic sphere so that it becomes even less manageable than it already is.

By every indication, it appears that the Marcos regime shall refrain from engaging in new adventures in the political sphere and instead concentrate all its efforts at keeping the tottering economy in place. It appears content with keeping the rural guerilla movement off-balanced, containing militant protest in the cities with the hope that the momentum of August 21, 1983 shall soon run out, and confining the activities of the elite opposition to within the walls of an impotent Batasan.

The elite opposition, likewise, promises no new initiative. The electoral parties through which they articulate their political interests hibernate in between elections. By their very nature, these parties are incapable of sustained mass leadership and are not disposed towards cultivating a strategic perspective. They atomize rather than organize the people by necessarily reducing their role to simply that of electors. After elections, the elected representatives replace the party organizations. And in the case of the Batasan opposition, the institutional character of that legislative body assures that they can wage no sustained political initiative.

The elite politicians, in the absence of elections between now and 1986, find themselves without an arena for political engagement in the present situation. Their inactivity, at least for the moment, is assured.

Although the interests and perceptions of the discontented sections of the business community are constantly conveyed through the various Chambers of Commerce, business clubs, research institutes and their allies in the academe, such interests and perceptions are unlikely to become mobilizing ideologies for the masses, addressed as they principally are to the policymakers.

The main organizational tendencies within the Filipino Left, as pointed out earlier, has settled back to the strategic perspective--they are most comfortable with: protracted revolutionary war with the countryside armed fighting units as centerpiece. This revolutionary war progresses according to its own internal criteria and is generally unattracted by the dramatic possibilities presented by certain political and historical conjunctures. By the revolutionary movement's own estimate, it shall remain in the "strategic defensive" stage for several more years--with even more years added perhaps by the current AFP counter offensive. Political analysts from the left to the right share in the consensus that the main organizational tendencies in the Filipino Left are a long-term rather than an immediate decisive factor in the political arena.

The other groups and movements in the militant anti-Marcos opposition and the democratic tendency are too marginal to cause substantial alteration in the trajectory of the present situation.

The characteristic of the current political stalemate may be likened to the western front in Europe during the First World War: the various political forces and tendencies have found their respective trenches and any major charge over the top is mutually perceived to be suicidal.

#### The Economic Factor

While the political configuration had settled into a tentative equilibrium, the economic situation continues to transform rapidly. The general predictability in the sphere of politics contrasts sharply with the unpredictability of developments in the economic sphere. This evident contradictoriness is the womb of new possibilities.

The economic crisis has already succeeded in politicizing the business sector. Capitalist theoreticians have been quick to pin the blame for the economic and financial mess on the Marcos regime's mismanagement of the economy. By confining the crisis to the framework of mismanagement and profligacy, they leave the basic stresses of dependent capitalism uninvestigated and proposed solutions that have the essential characteristic of passing the cost of the crisis to the working class.

Recent position papers emanating from bourgeois theoreticians root the crisis of productivity to the growth of monopolies and in turn blame the growth of monopolies on the authoritarian political order. Economic criticism invariably develops into political criticism. And for the spokesmen of the Filipino business community, disenchantment over the state of affairs of the market has crystallized into a political demand for liberal democracy.

While the economic crisis had hit the wage-workers hardest, the absence of a clearly developed and widely popularized socialist vision has restricted the full articulation of working class interests. The growing restlessness in ranks of labor over the declining value of wages has not as swiftly metamorphosed into a class reimagination of possible futures. Without a fully developed and clearly articulated working class standpoint, the present crisis of dependent capitalism has not become as educational an experience for the working class as it could probably be.

Without a clear strategic direction guiding the activities of the trade unions as trade unions, the working class movement remained bound to fragmented economic struggles. The response of the working classes to the present crisis had not been as telling as it could be. The expression of working class political power has not been as telling as it could be. The expression of working class political power has not been in proportion to the toll the present capitalist crisis has taken from the wage workers. The trade unions have not made of themselves as telling a political factor as the Filipino bourgeoisie transformed itself to be over the last twelve months. Even the more militant sections of the trade union movement failed to condense a strategic direction for the working class in terms of the current crisis, they have generally contented themselves with playing a subsidiary role to the rural-based revolutionary movement.

As such, the working class movements failed to approximate the advances of the bourgeoisie in the sphere of politics. They remain, however, a vast potential force that could break the currently prevailing political stalemate.

It was mentioned earlier that one of the principal factors holding back the ruling faction from waging a decisive political offensive is apprehensions over the effect such offensive would have on the precarious economic situation. Conversely, a major development in the economic situation could unleash a decisive political offensive. Should the economy recover from its precarious situation or substantially deteriorate, it shall, either way, lose its inhibiting effect on the political options of the ruling faction. The danger lies in further economic deterioration. This forces the regime to an absolutely defensive position where it shall feel it to be a matter of political survival that the open opposition be demobilized. Not only does the condition of the economy at that point lose its constraining effect, it shall provoke aggressive political action. Unfortunately, the probability of deterioration is greater than that of recovery.

#### The Longer View

It is ironical that we have reached a situation where, in spite of the highly politicized atmosphere, it is the fate of the economy that appears to be decisive in the turn of events. In which case the future shall be created by the turn of circumstances more than the conscious intervention of men.

On hindsight, the political stalemate to which we have arrived--and which presently absorbs the energies, passions and imaginations of all factors in the political configuration--is due as much to the visions that guide the

political engagement of the various forces currently in the arena as to their objective dispositions. The two are, of course, ultimately inseparable. Any change in strategic perspective shall reflect in the objective disposition. The condition of political stalemate effectively restricts the possibility for any major change in objective disposition outside of a change in strategy. The mutual intransigence of the various forces in the arena of political contest makes the reification of their strategic visions a closer possibility.

Pending an historical accident of major proportion, the current political stalemate would most likely hold for some time. One year after the Aquino assassination, it appears that we have not moved any closer to the resolution of the social, political and economic crises that torment us. The protracted stalemate can only serve to preserve the basic features of these crises.

It is not possible, therefore, to reimagine the future within the terms defined by the dominant features of the present situation. We shall have to rethink it outside of assumptions cultivated in the past. The longer view into the future must transcend the urgencies of the present.

CSO: 4200/467

PHILIPPINES

PRIME MINISTER RAISES TWO BUDGET IDEA

Christchurch THE PRESS in English 2 Jan 85 p 4

[Text] PA Auckland--The Prime Minister, Mr Lange, has reaffirmed that the Government may present two budgets this year.

The double-budget idea, first aired a month ago by the Minister of Finance, Mr Douglas, could take the form of an expenditure budget in the first half of the year and a policy prescription in the spring.

In a New Year message, Mr Lagne said that, politically, there was an exciting 12 months ahead with the prospect of two budgets. The New Year would present new challenges, but also great opportunities would arise.

He predicted that New Zealand would face several pressures. Internationally, there was the problem of agricultural protectionism, which overburdened the rich nations with food while poor nations starved.

"But it is time to be glad about the resilience of our own producers, who are changing their production patterns to meet market demands."

Mr Lange said the coming year would put to the test what New Zealand had been saying about race relations.

He said 1985 would also see the new system of wage-fixing put to the test. Responsible worker and employer organisations would have to bargain within the limitations of what the economy could stand.

Mr Langesaid the nation had already made substantial recovery, but the real test of what could be achieved in 1985 would be when there were more people in jobs, more people properly housed and educated and when New Zealand was a nuclear-free zone.

He said there would be further changes in economic direction this year, but interest rates were likely to remain high.

CSO: 4200/472

PHILIPPINES

SUPREME COURT RELEASES NOLASCO, TOLENTINO

Quezon City ANG PAHAYAGANG MALAYA in English 8 Jan 85 pp 1, 8

[Text] The Supreme Court yesterday broke its timid stance against presidential directives by ordering the release of two subversion suspects ordered to be detained for one year by virtue of a Presidential Detention Action (PDA).

In a resolution reviewed as a reaffirmation of the judiciary's independence from the legislative branch of government, the High Court ordered the military to release Cynthia Nolasco and Willie Tolentino, who were abducted, along with Milagros Aguilar-Roque, by elements from the Constabulary Security Group (CSG) on Aug. 6 last year.

Aguilar-Roque was not included in the release order because she has pending criminal cases for alleged rebellion and subversion.

The High Tribunal went against tradition in its resolution. Earlier petitions filed for the release of persons detained on the strength of PDAs were not granted until after the lapse of the one-year detention period normally slapped by PDAs.

CSG agents abducted Nolasco and Aguilar-Roque while they were on board a passenger jeepney shortly before noon on Aug 6, 1984. On the same day, the CSG raided Nolasco's apartment on Mayon St., Quezon City.

They called Nolasco's apartment "a suspected underground house of the Communist Party of the Philippines and the New People's Army (CPP-NPA)" and claimed to have seized at least 10 subversive documents.

During the raid, the CSG agents arrested Tolentino, who was then in the premises of Nolasco's apartment.

The three were detained at Camp Crame and subsequently transferred to the Bicutan rehabilitation center. Their detention was ordered by a PDA issued on August 7, 1984, which said they "committed acts unimical to public safety and public order..."

They maintained, however, that they were not engaged in illegal activities. Nolasco and Aguilar-Roque were Directress and Assistant Directress, respectively, of the Extension Service Center of St. Joseph's College at the time of their arrest. Tolentino, on the other hand, was a grant-in aid scholar at the same schools' non-formal education program.



The Quezon City Metropolitan Trial Court ordered the release of the three after they posted bail last Aug. 13, but military authorities refused to honor the court order, saying they cannot be released pending the effectivity of the PDA.

Nolasco and her companions elevated the case to the Supreme Court after the military refused to release them.

In ordering the release of Nolasco and Tolentino, the Supreme Court said the offense of illegal possession of subversive documents is not a capital crime.

The High Tribunal noted that Nolasco and Tolentino "have not been charged with any other offense nor are they conveyed by any order from any other court of competent authority to the effect that they continue to remain under custody."

The High Court also set on Jan. 15 a hearing exclusively for Aguilar-Roque, who was criminally charged earlier on two counts of rebellion and subversion.

The military claims that Aguilar-Roque is a member of the National Executive Committee and the Political Bureau of the CPP. She is also alleged to be a former chairman of the CPP's National Democratic Front Commission, a body tasked to infiltrate organization with grievances against the government.

A reward of )100,000 was posted by the military in 1982 for the capture of Aguilar-Roque.

The Supreme Court's favorable action on Nolasco and Tolentino was interpreted by militant legal circles as an indication that Chief Justice Enrique Fernando may be trying to shed off his "pro-administration image."

The Nolasco et al case, which came at the heels of the favorable "We Forum" decision, could be the "last hurrah" of the Chief Justice, who is set to retire next June, they said.

CSO: 4200/467

PHILIPPINES

MALAYA DECRIES USSR RIZAL DAY COUP; OPLE SCORED

Quezon City ANG PAHAYAGANG MALAYA in English 7 Jan 85 p 5

[Article by Vic Barranco in the "Town Crier" column: "Moscow's Rizal Day Coup"]

[Text] By smooth, quiet arrangement, the aggressive Russians assumed the center stage in our Rizal Day ceremonies last Dec. 30. A high cultural representative of the Moscow politburo was imported just to tell us as guest speaker in the main program what Rizal meant to us. The Grand Knight of the Philippine association of civic and patriotic admirers of Rizal and the Director of the National Library were upstaged in the anniversary program.

The proper foreigner to be selected as our guest of honor in such occasion should have been a West German cultural official from Bonn or from the Embassy in Manila, because it is West Germany that has given Rizal and the highest honors among foreign non-communist countries since the days of Ferdinand Blumentritt, a German-Austrian scholar and Rizal became friends toward the turn of the last century.

We have honored the German professor Blumentritt by naming several streets in Metro Manila and other Philippine cities after him, while the Germans honored Rizal in so many ways as well. A street in Wilhelmsfeld, a prosperous community near Heidelberg was named Rizalstrasse. Its original name was Bachstrasse in honor of the German organist and composer Bach. It was in Germany also, in 1961, where the most impressive Rizal centenary rites in all Europe were held.

Mrs. Paz Policarpio Mendez, wife of the former Minister of Foreign Affairs Mauro Mendez, noted journalist, who serve as our ambassador to Bonn and Paris, should have been the Rizal Day principal speaker if not a Bonn official. Mrs. Mendez, well known scholar and educator, is credited for many researchers on Rizal in Europe. She has worked for the setting of Rizal markers in Heidelberg, Wilhelmsfeld, Berlin, Paris, and other European cities. Another good choice should have been Dr. Jose David Lapuz, professor of Rizal studies in the UST, who is much in demand as lecturer on Rizal at conferences in foreign countries.

Gene Cabrera, artist cartoonist of the Philippines Free Press, a leading weekly outlawed by the martial law regime in 1972, has also done a bit to

foster the sentimental link between West Germany and the Philippines. He made representations with the local government of Wilhelmsfeld for the transfer of the marble fountain dedicated to Rizal, from that town where Rizal wrote the concluding chapters of his Noli to Rizal Park in Ermita, Manila.

Quite properly, Mrs. Mendez or Dr. David Lapus should have been the speaker during the 1984 national observance. But before the Philippine public knew it, it had been a joint fait accompli of the Kremlin communist cultural office and the Philippine Ministry of Labor and Employment whose Minister, Blas Ople, an ardent Moscowphile, is president of the Philippine-USSR Friendship Society.

The Russian communists have also infiltrated the Philippine cultural field through the presentation on tv of the ballet performance of "Romeo & Juliet" by the Moscow Bolshoi Ballet. This tv show did not have any relevance at all to the Rizal Day ceremonies, but it was forced to our hallowed day as a participation of the Russians in the memorial anniversary program in honor of our national hero.

So be it done on the designs of our totalitarian government which campaigns for the uprooting of communism in our rural and urban areas and yet opens our country, our culture, to the hardcore Reds direct from the Kremlin. We sit astride so many horses: American democracy, Soviet Bolshevik communism, China's Maoist communism, Japanese capitalist imperialism, Italian fascism, Monaco's casino economy, and the World Bank old China comprado system. We ride on both the favorites and the "dejados" of the ideological race track, and we think hopeless that we will be the winner. We are dulled and blinded indeed by the lucre.

CSO: 4200/467

PHILIPPINES

DAVAO DAILY ON CHRISTIAN ROLE IN REVOLUTION

Resort To Violence Scored

Davao City PEOPLE'S DAILY FORUM in English 8 Jan 85 p 2

[Commentary by Lorene A. Porras: "Are We Capable of Christianity?"]

[Text] Killings and other forms of violence that are daily routine in Davao City have not abated even at Christmastime. The holiday needs, in fact, seemed to have occasioned the increase in the cases of snatchings, theft, and robbery holdups in the poblacion.

It is quite ironic that the observance of one of the greatest feast in all Christendom failed to evoke among some people the emotions that should be in keeping with the spirit of the season in this only Christian nation in Southeast Asia. We Filipinos are known for our religious fervor. The zeal, solemnity and color by which we celebrate religious events have been part of a centuries-old tradition.

But when violence and bloodshed would dominate the scene in what should be a moment of peace and love, at a time when goodwill should reign in the hearts of men, there must necessarily be something wrong with our values and our practice of Christianity. Christianity is the religion of love, and as such is incompatible with violence. This supposedly Christian society of ours is dominated by greed and unbridled exploitation. Our ways of settling internal conflicts are for most part anti-Christian. The hatred brewing in the hearts of some of our countrymen, and exploding in heartless massacres and assassinations must unmistakably point to the failure of our Christian way of life for the last four hundred years.

Each one of us, by our weakness of character, by the inadequacy of our response to the challenge of Christianity, must share the blame for the climate of blood and fear that is engulfing us now. Why is there so much injustice, so much hatred, so much grievance among a community of Christians?

In desperation, large segments of our Christian citizenry have cried out for swift, drastic, even convulsive reforms in the social order. The more radical ones would even agitate the use of force to effect the much needed change.

Many Christians, however, would not know how to reconcile the idea of a violent revolution with the religion of love that Christ Himself instituted. The Christians' dilemma in this respect is quite understandable. For while the Christian churches work for the attainment of social justice, it frowns upon the use of force to attain such justice. In the midst of the direct involvement of some priests in the battlefield of the class struggle, Vatican has stressed that the role of the Church on the social level is only inspirational--that is to enlighten and guide the people to seek their own solutions to problems.

Some Christian leaders have invoked the theory of a just war. St. Augustine himself used to support the idea that force may be used to restore order and justice, but only on very rare occasions. Is the cause just? Are the intentions pure? Is there no element of revenge, or vengeance, or selfish motives? Short of satisfactory answers to these questions, the employment of violent force is illicit, immoral and highly unchristian.

The true Christian fights injustice by sacrifice, hatred by love. For the way of the Christian is also the way of the peaceful martyr.

Are we capable of this level of Christianity?

#### Ordeal Under Communism Cited

Davao City PEOPLE'S DAILY FORUM in English 8 Jan 85 pp 2,6

[Article by Elpidio T. Elorde, Sr., in the "Issues Unlimited" column: "A Glimpse on Christian's Ordeal Under Communist Regime"]

[Text] (In order for us to really have an idea on how Christians fare life in countries under communist regimes, ISSUES UNLIMITED has the following article reprinted, courtesy of the Davao Catholic Herald. From this article we could have a glimpse on the unfavorable conditions now suffered by the Christians in each countries, particularly in Cuba, where some Church people were once lured to support what was supposed to have been a "democratic revolution" initiated by a dynamic and popular Fidel Castro, who later became a strongman president and had openly declared himself as an all-out dyed-in-the-wool Communist).

#### Christmas Does Not Exist Officially in Cuba

Washington (NC)--"There is no more Christmas in Cuba-offically," said a Cuban minister who spent the last 21 Christmasses in prison.

Seventh-Day Adventist Elder Humberto Noble Alexander, one of 26 Cuban political prisoners freed in June when Rev. Jesse Jackson traveled in Cuba, said that in 1961, after Cuban President Fidel Castro had been in power, "Christmas was completely changed."

The only big feast now is July 26, the anniversary of the beginning of the Cuban revolution in 1953, he said in Washington in November where he described religious conditions in and out of prison.

A traditional Cuban Christmas includes a food feast as big as those held in Thanksgiving in the United States he said. Many families continue to try scraping together enough food to hold traditional Christmas dinners in their homes even though food is scarce. If a house was raided during a Christmas feast, government officials would charge the people with buying contraband food, said the elder.

He said that in prison, his Christmas meal was soup. But he said he wasn't sure it was soup because it was "the same color as the plate."

Mr. Noble said this year he probably will spend a quiet Christmas in Massachusetts with his mother and sister, a setting different from the nine prison where he spent his sentence. He was arrested in 1962 and charged with being a counter-revolutionary after preaching at a revival in Matanzas, Cuba.

He said that in Cuba religion is considered the "opium of the people, and every pastor is (considered) potentially a member of the CIA," he said.

He said that in Cuba prisoners could spend 21 days in the dungeon for making a small Christmas tree. Hymns, copied in the back of Cuban cigarette paper also were cause in three weeks the dungeon.

Mr. Noble, who was 28 years old when he was arrested, said faith in God kept him going through his prison term which included 17 years of solitary confinement and three years of forced labor. Since 1967, the prisoners were dressed only in their underwear, and many of his prison years he slept on the floor in cells with no beds. Prisoners often were in cells with no light and drank water from the toilet.

The Cuban and foreign sets of prisoners often passed each other in lines at meal times and took the opportunity to smuggle letters and pass books to other prisoners.

Mr. Noble said when he was not in isolation, he tried to minister to other prisoners. Priests and minister were not allowed to visit the prisons, but in some prison--such as the forced labor area--prisoners were kept in large division, providing some opportunities for group ministry.

When preaching in prison, Mr. Noble said he preached Christianity, not doctrine, since prisoners were of various religious backgrounds.

He said he knew about 75 prisons and concentration camps in Cuba, an island nearly as large as Pennsylvania, with 9.8 million people. He said in one building in one prison, there were 2,000 men--and facility had three other buildings. "You don't have to go to Russia to see that is happening," he said. "Just go 90 miles from your coast," he concluded.

PHILIPPINES

CEBU KBL REVAMP DISCLOSED

Cebu City VISAYAN HERALD in English 8 Jan 85 pp 1, 4

[Text] Cebu City Mayor Ronald R. Duterte, chairman of the KBL directorate here is set to reorganize the ruling party late this month.

This developed following the directorate's acceptance of the resignation of member lawyer Bernardito Florido in a letter addressed to Duterte last January 2.

In a press interview yesterday, Duterte hinted that the revamp may take place after the Sinulog festivities.

In the same interview, the KBL directorate chairman gave little importance to the reported resignation of Mr. Mario Veloso from the ruling party last January 4.

Duterte stressed that Veloso has been inactive in politics for several years already and the latter's reported resignation was nothing but mere political gimmickry.

The city mayor said that the local directorate is strengthening its forces, unknown to many.

He added that the KBL machinery feels no need to publicize its every move.

CSO: 4200/467

PHILIPPINES

NPA ATTEMPT TO INFILTRATE CEBU UNCOVERED

Cebu City VISAYAN HERALD in English 8 Jan 85 pp 1, 4

[Article by Jimmy Alinsug]

[Text] Five men from Leyte (Waray's) who were among the twenty persons who arrived here were arrested yesterday afternoon at the interior of San Roque, Mambaling in a raid conducted by combined elements from 341st PC COY under Maj. Alberto Olario, GIS led by Maj. Eduardo Ricardo, M2 under Maj. Cesar Pagtakhan and TRS led by Lt. Welfredo Gonzaga and Vice Squad led by Lt. Gaudioso Navales.

The raiding team raided the house of Eduardo Alda and Eleuterio Almera. The law enforcers recovered a .38 revolver and a fragmentation grenade at the house of Alda. He was brought to the Metrodiscom Headquarters with his wife, Agapita Tantano. The team also arrested Jaime Carballero, 19, single of Labangon and Narciso Calimbo, 25, married to Hilongos, Leyte. They were at the vicinity at the time of the raid. Also arrested and believed to be subject persons were, Anecito Cayonda, 26 married of Javier, Leyte and is a son of a cop at Javier. Also arrested was Guillermo Aquillo Almeria, 44, married to Dulog, Leyte.

Intelligence report from the 341st PC COY revealed that Anecito Cayonda arrived yesterday from Leyte. He was seen with two pistols tucked in his waist and wore a blue polo, while Guillermo was seen holding a revolver. When the raiding team approached the area, Guillermo ran towards the coastal area while two of his companions fled to the nipa bushes. Cayonda was arrested at the house of Eleuterio Almeria. Initial investigations disclosed that the group first stayed at the house of a certain Daniel Almeria then transferred to the house of Eleuterio and then to the house of Venancio Toyogan. A certain Roger and a certain Rogelio were believed to be their leader.

Metrodiscom probers were puzzled by the presence of a young woman known as Carmen, who was at the Metrodiscom Headquarters yesterday morning and during the raid in the afternoon, she was also around at the area. She even went to the house of Alda and told the raiding team that her children were upstairs sleeping. When asked why she had children sleeping upstairs, she said that she left her children so that they can sleep while she is away.



It was learned that the suspected leader of the group Roger Lopez, had a Waray girlfriend.

Police investigators said they found letters at the pocket of Guillermo Almeria. It was written in Waray language and the content was that they should not go home yet because their (companion) relative, known as Onngol was killed by four fatigue colored uniformed men with a .45 cal. and a carbine. It also contained that if ever Guillermo would think of writing them back, he should not mail it to their home and gave another address for precautionary measures. Authorities believes that these men are from the New People's Army and maybe on a test mission. They did not elaborate further.

CSO: 4200/467

PHILIPPINES

BATALLA ON CONCERN FOR FACTS IN INSURGENCY REPORTING

Manila BULLETIN TODAY in English 8 Jan 85 p 4

[Commentary by Apolonio Batalla: "The Facts About Insurgency"]

[Text] There were three recent news items with a significant bearing on the insurgency problem.

1. It was reported that about 500 NPA rebels in military uniform occupied for two hours last Friday the fishing town of Tabina, Zamboanga del Sur. (Bulletin Today, Jan. 6.)
2. Lt. Col. Jose Andaya, the new PC provincial commander of Bataan, told newsmen there was something wrong with the government's drive against insurgency. He said, "If a person voices out a grievance against a certain policy, the government is quick to tag him or her as a subversive." (Ang Pahayagang Malaya, Jan. 7.)
3. Weekend magazine posed this question in an interview with Gov. Francisco Rabat of Davao Oriental: "Is the NPA problem not a problem in your area?"

Gov. Rabat replied: "I'm not saying it's not a problem; they are encroaching, they are penetrating. Unless something is done, they will succeed because of the methods that they use. Now here again, are they the NPA that are doing all of this? That's the big question. Because I've known the activities of the NPAs. They do not threaten people, frighten or kill people because of their desire to attain their objectives. I don't think this is done by the NPA. Suddenly, in the last five or six months, there has been a surge of killings all over and everything seems to be charged to them, charged to the MBA, there could be other groups also..." (Weekend, Jan. 6)

There is the propensity on the part of some news sources to attribute some atrocity or some raid to the insurgents without verifying whether the deed was done by the insurgents.

That kind of reporting on the insurgency is dangerous.

In the first place, it tends to make the policymakers and the public believe that the insurgency is more capable than what it may be.

One consequence is to scare people more than they ought to be. Another is the government may be compelled to put more resources into the anti-insurgency campaign than there ought to be, and this would be to the disadvantage of the other spending programs of the government.

A third is the higher authorities may ask for more efficiency from the men in the field when these men may already be performing at the peak of efficiency. That would be demoralizing to the soldiers.

If an atrocity is attributed to the insurgents when in fact it was not committed by the insurgents, the investigators might adopt the theory and thereby foreclose the solution of the case. The real culprits may be tempted to commit another crime another day and similar reporting would wipe off their tracks for them.

There is no better aid to solving a problem than knowing the facts. If the facts are not known or if they are disregarded, the problem might snowball into a bigger one. In this case, that would mean more bloodshed and unrest.

The report that 500 rebels in military uniform raided and occupied the fishing town last Friday deserves a closer look by government investigators. If true, it would mean that the insurgents in that part of the country have begun to attack in battalion strength.

But the story raises some important questions. The movement of such a big number of men could hardly have been hidden from government agents. The town is only 40 kilometers away from Pagadian City.

If the movement had not been detected, what happened to such a big number of men afterwards should not be a big mystery. In any case, the report of the investigation will show the veracity of the report.

Fidelity to the facts is what links such men in the field as Gov. Rabat and Lt. Col. Andaya. Such men perceive that the insurgency problem would be less onerous if the facts were determined.

These are practical men because they know that working on the facts will make their jobs easier.

CSO: 4200/467

PHILIPPINES

COMELEC REVERSES 1980 KBL WIN IN MARAWI CITY

Manila BULLETIN TODAY in English 8 Jan 85 pp 1, 8

[Article C. Valmoria, Jr.,]

[Text] The Commission on Elections ousted yesterday the mayor, vice mayor, and four sanggunian members of the Marawi City, all of the ruling Kilusang Bagong Lipunan (KBL), in a majority decision upholding the protest of opposition candidates in the Jan. 30, 1980, local elections.

Ordered to vacate their positions were Mayor Mahadi Pimping, Vice Mayor Habib Ali, and sanggunian members Ombra Tomawis, Ibrahim Dacasum, Uttoh Banisil, and Salim Nor. All ran as KBL official candidates and were proclaimed winners by the city broad of canvassers.

The ousted local officials were replaced by opposition candidates Salam Naga Pangadapun as mayor, Omar Sultan Alimaca Banang as vice mayor and Ombawa B. Madum, Hadji Asis Alablangan, Datara Nasser, and Adiong Magapa as sanggunian members. They ran under the banner of the Nacionalista Party (NP) in the 1980 polls.

Actually Pimping was only a candidate for vice mayor as was Pangadapun who lost in the official canvass. The KBL majoralty candidate was Omar Dianalan who was proclaimed winner over NP bet Rashid D. Sampaco, one of the protestants. Dianalan, however, gave up the mayoralty when he ran for a seat in the Batasang Pambansa for Lanao del Sur. Pimping thus became mayor and Ali, who topped the sanggunian polls, vice mayor.

Sampaco failed to dislodge Dianalan in the new tally of votes resulting from his protest although he succeeded in trimming Dianalan's margin of victory.

Pangadapun replaces Pimping as mayor having been declared the winner in the vice-mayoralty elections.

The Comelec resolution was signed by Chairman Vicente M. Santiago Jr. and Commissioners Domingo C. Pabalate, Victorino A. Savellano, Jaime Opinion, Noli M. Sagadraca, and Froilan M. Bacungan. Commissioner Ramon F. Felipe Jr. abstained.

In its resolution, the poll body voided 43 voting centers on grounds of widespread fraud, intimidation, coercion, violence, threats, and other irregularities.

The Comelec held that sufficient, convincing, and direct evidence had been presented by the protestants in support of their allegations of serious irregularities.

According to the Comelec, the evidence was of such compelling character that it could not avoid the conclusion that there was a mockery of the elections in these centers.

The poll body gave weight to the findings of a handwriting expert who examined the registration and voting records, which showed that 55 to 70 percent of the registered voters in these centers were illegal or doubtful voters.

Meanwhile, the Comelec denied knowledge of any plan to hold presidential elections this year.

Santiago belied a published report that he "met his key men last week and told them to be on the alert as presidential elections would most likely be held this summer."

CSO. 4200/467

PHILIPPINES

OPLE SPONSORS USSR GUEST, SETS FILIPINOLOGIST CONGRESS

Manila BULLETIN TODAY in English 8 Jan 85 pp 1, 8

[Text] A world congress of Filipinologists, or experts in Philippine studies now living in various countries, will be held in 1989 in Manila to mark the first centenary of the attempt by Dr. Jose Rizal to convene such a meeting in Paris in 1889 but which was not held because of limitations imposed by the French government.

This was announced by Labor Minister Blas F. Ople, president of the Samahang Balagtas, a bipartisan group in the Batasang Pambansa, after a breakfast meeting honoring Dr. Igor Podberezky, a leading scholar on Rizal and Philippine studies from the Moscow Institute of Oriental Studies. Podberezky delivered the Jose Rizal annual lecture last Dec. 30 in Fort Santiago.

Ople said the congress will be proposed to scholars in Philippine studies in the United States, the USSR, Europe, Japan, China, Latin America, and the Southeast Asia countries. An international preparatory committee will be set up in 1985, he said.

He said the Samahang Balagtas will start compiling the list of scholars in Philippine studies throughout the world with the help of leading scholars in the United States and in the Soviet Union through the Ministry of Foreign Affairs (MFA).

The world congress, Ople said, will focus on the various cultural, social, economic and political strengths of the Philippines and its people which can be harnessed to long-range goals and the country's unique place in world affairs.

The focal point for the Philippine government's participation will have to be resolved but initially the responsibility will be lodged in the National Historical Institute. He headed by Virgilio Almario will be two of the sponsoring national organizations.

Among those present at the breakfast, sponsored by the Philippine-Soviet Friendship Society, were Ambassador Yuri Sholmov, Deputy Defense Minister and Member of Parliament Teodulo C. Matividad, MP Francisco Sumulong Director Ponciano B. Peralta Pineda of the Institute of National Language, Justice Mila German, Director Quiason, Dr. Salvador P. Lopez, Teodoro F. Valencia, and former Assemblymen Estanislao Alinea and Rogelio Quiambao, both of Quezon City.

PHILIPPINES

BIGORNIA ON POOR PROSPECTS FOR CONVENOR GROUP

Manila BULLETIN TODAY in English 7 Jan 85 p 6

[Commentary by Jesus Bigornia: "Convenor Bloc Has No Political Leg to Stand On"]

[Text] Spurned by political groups it would lead in a unified "crusade" against the Marcos regime, the "convenor group" faces loss of the last prop shoring up its claim to leadership in the fragmented opposition. Ironically, the "coup de grace" will be delivered by the Marcos-dominated Batasan. The blow will take the form of a law empowering the lawmaking body to name which of the opposition parties extant is the "dominant opposition party" entitled to election inspectors and other protective privileges under the Election Code.

The Election Code authorizes the Commission on Elections (Comelec) to determine what party is the dominant opposition party in each region. An amendment to the law now in the works would transfer this power to the Batasan. Since the Code also provides that the party obtaining the second largest number of votes in a previous election, it stands to reason that the United Nationalist Democratic Organization (unido) which elected the largest number of opposition candidates to the Batasan will receive recognition as the dominant opposition party in the coming pollings.

Neither former Senator Lorenzo Tanada's CORD nor businessman Jaime Ongpin's Benguet Corporation, not even Mrs. Cory Aquino, widow of the assassinated opposition leader Benigno Aquino Jr., claims affiliation with a legally recognized political party or group that took part in last year's parliamentary elections. No way, therefore, can they obtain recognition of their convenor group as the dominant opposition party. To enable them to continue leadership in the drive to unify the fragmented opposition, they must join a political party under the Unido umbrella. To do so they would have to kowtow to a political figure they have studiously ignored in the past, Batasan Minority Floorleader Jose B. Laurel Jr. (Unido, Batangas).

It is the Philippine political experience that a party or candidate without inspectors and poll watchers is at the mercy of the administration party and its candidates at the polls. Any opposition candidate who is not backed by the Unido stands no chance at winning under present conditions, in the final analysis. Adoption therefore of a proposal by the majority members of the Batasan's committee on revision of laws would knock down whatever pretensions to opposition leadership the convenor group has entertained this far.

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PHILIPPINES

VALENCIA ON FILIPINO PRO-AMERICANISM

Manila PHILIPPINES DAILY EXPRESS in English 7 Jan 85 p 4

[Article by Teodoro F. Valencia in the "Over a Cup of Coffee" column]

[Excerpt] The opposition's propaganda line is weak. They anchor their hopes for election victory on the death of President Marcos or his continued illness. They are wrong--the KBL is no pushover even if the President is not around to guarantee victory. The KBL has an army of talents that the opposition can't brag about. Then, what if the President is the candidate himself because he does not become sick or dies?

It is obvious that the opposition will anchor their campaign on a call for the removal of the American bases. This is a losing position--the Marcos administration would have adopted this position if the President thought the people would support that. The sad truth is that a majority of our people are still very very pro-American. They will go against anyone who is anti-American even if they give lip-service support to such a man.

Don't get me wrong. I am one of those who believe that the American bases constitute a threat to our safety and their presence diminishes the sovereign rights of the Filipines. During the height of the Huk campaign, Luis Taruc and his men could have taken Manila but they dared not because they were certain that the Clark Air Base and Subic forces of the United States would stop them. The American bases are where they are because American interests and global military plans say they must. The moment they are no longer needed, the Americans will leave on their own steam. Meantime, even if we declare war on the United States the bases will be where they are. The opposition leaders know this too. They're only kidding with their brave posture.

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PHILIPPINES

PAPERS HAIL SUPREME COURT DECISIONS AS 'TURNING POINT'

'Sign of Changing Time'

Cotabato City THE MINDANAO CROSS in English 29 Dec 84 p 4

[Editorial: "Sign of Changing Time"]

[Text] What maybe is the turning point in the struggle to return completely freedom and democracy in the Philippines was the Supreme Court's decision last Wednesday that the military raid on the offices of "WE-Forum" on December 7, 1982 was illegal. If not yet, it is a sign that the turning point is near.

At issue in the case is freedom of the press. Where others cowered, "WE-Forum" stood pat on its constitutional right to criticize the ills of martial law, the post-martial law Marcos administration, and the Marcos dynasty. For this, the paper earned the label "subversive". The military raided and closed in invoking Presidential Decree No 855.

Equally at issue is freedom of the judiciary. With 12 justices who deliberated on the decision penned by Justice Venicio Escolin voting unanimously, the Supreme Court shed off its image as a rubber stamp of the Marcos administration. In asserting its constitutional freedom to uphold the constitutional freedom and right of "WE-Forum", the tribunal signalled the lower courts to assert their freedom in the administration of justice.

The Supreme Court ruling that the newspaper or media in general should not be subjected to any form "of previous restraint or censorship, abhorrent to the freedom of the press, guaranteed under the fundamental law..." is to media as rain is to a withering ricefield.

The "virtual denial of the WE-Forum freedom to express itself in print," the tribunal continued, "...is patently anathematic to a democratic framework where a free, alert and even militant press is essential for political enlightenment and growth of the citizenry."

This is a censure not only to the military raiders of "WE-Forum" but to all who directly or subtly exercise restraint or censorship on media.

Encouraged by this bold decision of the Supreme Court, we watch, as 1985 comes, with great interest how the tribunal would rule on pending petitions against

Amendment No 6 and the many decrees considered repressive and unconstitutional. As its decision in the "WE-Forum" case upheld freedom of the press, will it also uphold the freedom of the Filipino people from repressive acts under martial law?

If the sign of changing time continues to be, the Supreme Court will. A free judiciary and an equally free press are the great hopes of freedom and democracy in this country in 1985. That's a hope, not just a wish.

### 'Long Night Coming To End'

Quezon City ANG PAHAYAGANG MALAYA in English 9 Jan 85 pp 1, 4

[Editorial: "The Long Night Is Coming to an End"]

[Text] Following its historic Dec. 26 decision on press freedom in the WE-Forum case, the Supreme Court has struck another big blow for the restoration of the people's civil liberties when it ordered the release of military custody of two subversion suspects, Cynthia Nolasco and Willie Tolentino. The two, ordered released by the Quezon City Metropolitan Trial Court after filing bail bonds, had continued to be retained by the military after they produced a PDA, like a magician extracting a rabbit from his hat, many days after the court had ordered their release.

Previously, in 1983, in a similar case, the High Tribunal had ruled that courts cannot interfere with the prerogative of the President to arrest and detain persons against whom a PDA had been issued.

But the invigorating wind of change has started to blow through the Supreme Court.

In an editorial two days ago, Malaya stated that the Preventive Detention Action is not only unconstitutional but also the biggest instrument of terror being used by the authoritarian Marcos regime to harass, terrorize and intimidate the people. The editorial then called for the recall or suspension of the decree authorizing the President to issue PDAs.

This latest action of the Supreme Court on the two subversion suspects, coming on the heels of the WE-Forum verdict, is further evidence that the tribunal is now set to dismantle the diabolical machinery of oppression and repression which Mr Marcos studiously and elaborately set up to preserve his dictatorial rule and perpetuate his evil regime.

Clearly and unmistakably, the Court of Last Resort is deftly guiding the country back to the pathway of freedom, justice and democracy. The liberation of the Filipino people is at hand. The long, dark and dangerous night is coming to an inglorious end.

## Court Moves Towards Center

Cebu City VISAYAN HERALD in English 7 Jan 85 pp 3, 10

[Article by Salvador P. Lopez in the "Guest Column" column: "The Supreme Court Moves Towards Center"]

[Text] In the last year or two the Supreme Court has been moving slowly towards the center of the national life. It is shifting towards the center, in an ideological sense, from the far right where it has functioned since 1972 as a main support of the dictatorship. But the Court is also being propelled towards the center, in a political sense, away from the periphery of the national life to which it had been relegated, or had allowed itself to be relegated, after the proclamation of martial law.

Center, in both senses of the word, is where the Supreme Court ought to be. Though it may sometimes be swerved from there by powerful external pressure, the situation is anomalous at best and the Court will revert to center as soon as the pressure is reduced or withdrawn. That is the inherent genius of the Supreme Court in a system of liberal democracy.

But the existing political system, you will say, is anything but a liberal democracy. True enough. But of all the institutions of government, the Supreme Court retains under any regime the capability to recover its status and authority of its own responsibility. While the Legislature and the Press, under a dictatorship, have to be re-structured and revived in order to perform as desired under a democratic regime, the Supreme Court is capable of adjusting to such a change under its own power and by its own authority. The Supreme Court is in fact a very special exclusive club operating under rules of which the unwritten ones are often more important than the written.

Composed for the most part of persons experienced in the law and in the administration of justice, the Supreme Court is in fact a very special exclusive club operating under rules of which the unwritten ones are often more important than the written. There is a spirit of camaraderie, of course, and a sense of belonging, but beyond these the club imposes its own discipline. This does not rule out the existence of mavericks who may sometimes be tempted to behave like professional loners. But the maverick merely emphasizes existence within the Court of a moral and intellectual commonality. This awareness is doubtless encouraged by the club-like atmosphere of exclusivity and by the knowledge that the members enjoy permanence of tenure.

This atmosphere of exclusivity and permanence is what gives the Supreme Court justice a special sense of dignity, courage and independence. He is literally beholden to nobody except to his own conscience. Since the scope and strength of this sentiment is commensurate with the independence of the judiciary, and since the latter in turn depends on the strength of democratic institutions, it follows that an independent and courageous member of the court is under pressure to become a stalwart defender of democracy. He knows wherefrom he must draw sustenance for his endeavors.

The Supreme Court has been called a "Marcos Court" in the sense that all its thirteen members have been appointed by President Marcos. Does this mean that the Court would never cease to do the bidding of the appointing power? No, because as the regime is absolute power declines and the democracy re-  
vives, the members of the Court will come under increasing pressure to respond to the democratic needs and aspirations of the national society. The present members of the Court might have been appointed by a dictator, but Philippine democracy antedated the Marcos dictatorship by twelve years at least. The roots of the Supreme Court run back all the way to the Republic of 1946, the Commonwealth of 1936, and the colonial government of 1907. It is a proud and distinguished lineage, and the Supreme Court was a centerpiece of that historic progression.

These reflections are inspired by the recent decision of the Supreme Court on the We Forum case. In a unanimous decision written by Justice Venicio Escolin, the Court vacated the two search warrants that had been issued against the newspaper on December 7, 1982, by Quezon City Executive Judge Ernani Cruz Pano. The Court ordered the military to restore to Jose G. Burgos, Jr., publisher and editor, all the printing equipment, motor vehicles, books, documents, etc., that had been seized during the raid. The Court ruled that the closure of the newspapers constituted "previous restraint and censorship" which is abhorrent to "freedom of the press" and violative of democracy in which "a free, alert and even militant press is essential." Justices Felix V. Makasiar, Hermogenes Concepcion, Jr., Ameurfina Melencio-Herrera, Efren L. Plana, Lorenzo Relova, Hugo E. Gutierrez, Jr., B. S. de la Fuente, Serafin P. Cuevas, and Chief Justice Enrique M. Fernando concurred with the decision, while Justice Ramon Aquino abstained.

In trenchant phrasology which has come to characterize his views on human rights cases, Justice Vicente Abad Santos declared in a separate concurring opinion that the "search warrants were issued in gross violation of the Constitution" and constituted "naked suppression of press freedom."

For Joe Burgos the happy outcome must be attributed to nothings but guts, guts, and yet more guts--plus excellent timing and a bit of good luck. His guts he owes to no one--except perhaps to Jose J. Burgos, Sr., of whose old block he is a worthy chip.

The bit of good luck and the excellent timing he owes to the fact that he waited a little while until the Supreme Court--a unanimous twelve justices, not counting the silent 13th--had gotten ready to take its courage and independence in its own hands, and act in fidelity to its own inner discipline and its historic traditions.

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PHILIPPINES

ZAMBOANGA OFFICER FEARS RENEWED MNLF OFFENSIVES

Quezon City ANG PAHAYAGANG MALAYA in English 8 Jan 85 pp 1, 6

[Article by Peter S. Dimaguila III]

[Text] Zamboanga City--A ranking military official aired fears of a bigger offensive by the Moro National Liberation Front (MNLF) in southern Mindanao this year during a meeting of the city's peace and order council last week.

Col. Romeo Abendan, Zamboanga District Command (Zamdiscom) commander, said that intelligence reports have indicated that the secessionist movement will launch a new terroristic and fund-raising activities in southern Mindanao which, he said, will include Zamboanga City.

"The MNLF is expected to wage a new struggle against the government in southern Mindanao," Abendan told the council members. Abendan chairs the council.

The Zamdiscom chief was referring to military reports last week that some 2,000 MNLF rebel commanders and their followers were monitored by government troops in Bolo-Bolo, Tawi-Tawi to have entered the country through the southern backdoor.

During the meeting, members of the council unanimously passed a resolution asking the National Police Commission to allocate more policemen in the city because the present police force, they said, is not enough to cope up with the deteriorating peace and order situation here.

According to police chief, Maj. Jesus Mabalot, the present number of policemen under his command is 269. Out of that number, Mabalot said, 64 others are either on leave, restricted, suspended or detailed with the PC-INP.

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PHILIPPINES

NPA HANDS BILLS CLAIM CREDIT FOR KILLING IN GEN SANTOS CITY

Davao City THE MINDANAO DAILY MIRROR in English 8 Jan 85 pp 1, 8

[Text] Printed handbills distributed in General Santos City, presumably by the New People's Army (NPA), seem to confirm the theory that members of the NPA's Sparrow unit were behind the recent shooting to death of a policeman in San Juan, Silway, that city.

Shot dead last November 27 at about 9 o'clock in the evening was Pfc. Eleazar Tapurco, head of the Theft and Robbery section of the city's police force. Investigators disclosed that Tapurco was then on a surveillance mission in that particular district of the city when one of four still unidentified armed men shot him from three times. The victim was hit in both legs and behind the heart. The killer and his three companions fled across the Silwat bridge.

Handbills later distributed near the scene of the killing claimed that Tapurco had been "sentenced" to death by the NPA for the following "sins" attributed to him: (1) Abuse of authority, (2) Homicide, (3) Heading a gang of thieves, (4) Pushing marijuana, and (5) For acts inimical to the New People's Army.

Tapurco's colleagues in the police force immediately denied the accusations against him in the handbills, calling them "malicious fabrications" intended to smear the policeman's name.

The handbills also called on all members of the military, including the PC-INP, intelligence units, CHDF and even "informers" to resign their positions and seek other means of livelihood.

P/Cpl. Tomas Leonida, chief of the Warrant, Subpoena and Communication Division, also disclosed that Tapurco's government issued .38 caliber service revolver, which he carried inside a clutch-bag, was taken by the killers.

Without necessarily disregarding the NPA handbills, the General Santos City police are still investigating the assassination and hope to apprehend the killer and his companions eventually, if only to avenge Tapurco's murder.

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PHILIPPINES

DAVAO GOVERNOR ON TERRORISM, INSURGENCY, DIALOGUE

Manila PHILIPPINES DAILY EXPRESS Sunday Supplement WEEKEND in English 6 Jan 85 pp 8, 9

[Interview by Ching M. Alano with Davao Oriental Governor Francisco Rabat--  
"Governor Francisco Rabat: 'I Will Dialogue With the Devil Himself Anytime  
to Have Peace in Davao'"]

[Text] The recent rush of violence--bombings, killings, strikes, arrests of militant church workers and assorted vigilantes--is fact turning Davao into forbidden territory. Hotel business is sluggish. And so is the restaurant and niteclub business. Nobody dares to venture into the streets after night-fall for fear that he, too, might become another statistic in a staggering list of unsolved murders. By day and by night, the shadows continue to hover over the Davaoenos who could only ask with much fear and trembling: "Are we to become another Nicaragua?"

Davao Oriental Governor Francisco Rabat, in Manila briefly for a visit, gives us a picture of Davao today in this interview with Weekend. Hardcourt fanatics of the '60s remember Rabat better as the sweet-shooting player from Ateneo. His hair turned a graceful silver, Rabat today finds himself in the rough and tumble of politics where the rules of sportsmanship somehow do not apply.

WEEKEND: Your name was mentioned in connection with Kapitan Inggo, Muslim rebel leader of the Philippine Liberation Organization (PLO), a right-wing terrorist group tagged as the principal suspect in the killing of newsmen and opposition figure Alex Orcullo, also known as the Ninoy Aquino of Davao city. Reports have it that Abubakar Karsolo alias Kapitan Inggo surrendered to you and that you used him later when you ran for Governor of Davao Oriental to terrorize voters. May we hear your side of the story?

Gov. Francisco Rabat: This Kapitan Inggo never surrendered to me, we don't have records of his name on file with the Provincial Command or with my province, this Abubakar Bautista Karsolo. What I didn't like was the implication that he was with me and that I used him as a goon; the NPA (New People's Army) might misunderstand that, my life is in danger as far as the NPA is concerned.

I don't know Kapitan Inggo; I don't know how my name even came up. Sometimes I wonder how an alleged Moslem would be using a nickname that is popularly used by Tagalogs--I think you know that Inggo is a nickname that is used in the Cavite area, Batangas or Bulacan area and it is used by Tagalogs, very seldom will you find a Cebuano called Inggo, much more a Moslem.

There were about 16 who surrendered to me from North Cotabato but certainly, not anyone of them is Commander Inggo. I find it difficult to believe that Kapitan Inggo is a Moslem. To my mind, from what I know of Moslems, they use names like Jobbar, Abdul, Jack, Baser, Talim, Kasim but not Inggo. Inggo is a Tagalog nickname for a person who is called Domingo. Maybe its' diversionary, it's a group of persons who have organized themselves and commit a crime and then throw it to either the BMA (Bangsa Moro Army) or NPA. It's diversionary so that when the military looks for the killer, their attention is geared towards the BMA or the NPA.

From what I heard in Davao city, Kapitan Inggo surrendered in Davao city to the Station Commander of the Integrated National Police, Captain Villareiz. Villareiz brought him to Col. Teves and to Gen. Dionisio Tan-Gatue and I think he was interviewed by the NISA Director Captain Borje in Davao city but never in my province.

Two of the 16 surrenderees were Abubakar, Abbas who is called Commander Gerry and a lady named Salome who is married to Jimmy Labawad, they're now leading a formal life.

WEEKEND: But have you heard of the PLO? Did you know Alex Orcullo?

Gov. Rabat: I only heard about the PLO when my name was implicated. I haven't been to Davao city for almost four years, I haven't even seen the heart of the city for the last four years because whenever I come to Manila, it's airport to airport, I go to the airport of Mati (Davao Oriental), then Davao city, Manila but I don't go downtown anymore so I haven't seen Davao city... We've had the Imelda Marcos airport in Mati since 1978. It's 2,300 m. long and 150 m. wide with about 1,600 m. of concrete runway and wider than the airport of Davao city. We have been appealing to my friend Jun Cruz if he could make the scheduled flights for Davao-Mati-Bisling-Tandag-Cebu and back because right now we're having difficulties going to Davao city because of the highway. There are many checkpoints now belonging to different groups of people because of many incidents that have occurred--burning of trucks, burning of cars, even our last supply of oxygen that was brought in by the dump truck of the Malaria Control was stopped in Bongabong and was burned so Mati hospital has no supply of oxygen because of that.

With regard to Alex Orcullo, I wish I knew him. I don't know his political philosophy, I don't know his business, civic and social activities because I don't know him... But you cannot avoid people who do not like you. Like in my province, some people do not like me and they will go out of their way to destroy me for as long as they can...



WEEKEND: How have the recent political developments in Davao city affected Davao Oriental?

Gov. Rabat: My province now is undergoing some difficulties because of the problems confronting the city. The city is the center of all economic life, political life or what have you. But because of the reported violence in the city, we don't have crude, we don't have food, gasoline, money, we don't have anything because everything is centered in the city. The bombings, killings, every day there is always something happening... The jeepney strike has paralyzed the economic life of the people not only in the city but also in the surrounding provinces. Passengers from our area cannot go to Davao or those businessmen from Davao come in to our area because there's no way to go--we don't have air transportation or sea transportation, everything has to pass through the land, the highway from Davao city to Tagum, Tagum to Mati, that is a stretch of 167 kms.

WEEKEND: How is the peace and order situation at present in Davao Oriental?

Gov. Rabat: The peace and order is containable in the sense that if only the civil government has certain priorities in the command of the local INPS, I think the situation can be improved. But since the mayors and the governors have no power except on paper but indeed it is not so, you still have to depend on the local command and the regional command. What is happening now is an overflow of rebels coming from the different provinces--Surigao, Agusan del Norte, Davao city--or whatever there are pressures from the military, naturally they will go to a place where they can have their temporary R&R, so to speak. This is the reason why the province in the last three or four months has had quite an experience for the first time since I became governor in 1978 where we were attacked twice in Bangangga where a logging firm was held up with its equipment and logs burned and three times in the barangay of Calapagan where a prominent lawyer was killed.

WEEKEND: What peace formula can you offer to untangle this proverbial Gordian knot?

Gov. Rabat: What Davao city needs now is a good command, a good man who can command and restore the faith of the people... A good regional commander and a good Metrodiscom commander perhaps with a different approach can solve the problem. The present command has lost its drive to initiative... Tan-Catue is good, Echeverria is good. But a lot of things need straightening out in Davao city--religious, political, social conflicts--and the man to iron out these kinks must be very strong...

WEEKEND: If something can be said for Davao city it is that the people are vigilant and they stand united on issues of the day. Then, too, the Opposition is something to reckon with.

Gov. Rabat: The Opposition has been very strong. Davao city is Opposition country, it's a city that is always unsatisfied, so to speak--you cannot satisfy, even Metro Manila. Here, whenever I go around Metro Manila. I'm always filled with envy when I see the roads cemented and then destroyed,

then cemented and then destroyed, endlessly. And then I see your parks are beautiful, everything is modernized and yet you're not satisfied. How much more in the cities and towns of Mindanao? There are many more towns in Mindanao that require the attention of the national government.

WEEKEND: Not many years ago, your wife, now Assemblywoman Edit Nakpil Rabat, figured in a bombing incident.

Gov. Rabat: I was the intended victim, of course, and not my wife. Yes, it was in 1980. We were just elected. I was running at that time unopposed and I had a team, all of us won and simultaneously there was this Southern Mindanao regional athletic ball held in Mati upon my invitation. We built a sports complex there and it was after the games that Sunday, Feb. 23, that the Division Superintendent requested me if we could have a victory ball and I told him that I think we should dispense with that because the games were over and the athletes were going home. Unfortunately, he approached my wife Edith so the victory ball was held in the evening at the quadrangle. At exactly 10:45 that evening when the ceremonies were over the dancing was about to begin, the presidential table was left vacant and we moved among the people. Maybe drinking San Miguel beer is a lifesaver--call of nature forced me to go to the comfort room which I would say was about 30 m. from where Edith and I were sitting down. As I was coming out of the CR, I was met by Atty. Gene Bernados, our collector of customs of Mati and he offered me a bottle of cold beer and he congratulated me for a very successful affair. So I returned the compliments by sitting down with him for a while. After about two or three minutes, there was a big pang, explosion and when I looked, I saw where it exploded and somebody dragged me outside, it was my security man. Before I realized it, it was my wife who was hit so I came back running. I heard a lot of moaning and crying so I lifted my wife and rushed her to the Baptist Hospital and she was airlifted to Manila the next morning. I called the First Lady by long distance and she answered me and sent an airforce plane to Mati at 4 a.m. It was pitch dark and the airport had no light so I really commended the pilot and the crew that came. Edith was given some injections in Mati but we had no provisions there--blood and other medicines... She was flown in a bigger plane to Manila the next day and she was in the intensive care for a couple of days, she stayed in the hospital for about six months and it took about two years before she could walk. But you know Edith is a determined woman, nothing can stop her. The first thing she asked for when she woke up was a mirror--that's Edith for you!

WEEKEND: Who threw the grenade at your wife?

Gov. Rabat: In 1983 or '82, Sept. 9, two young boys were apprehended in Mati during the eve of the fiesta there. These two boys confessed that they were part of the five-member group that threw the grenade. They implicated an old man who pointed at a certain Baser who turned out to be Aurelio Masangkay. Masangkay implicated two others and so the five of them were brought in by the military. Eventually, Baser confessed that it was a certain Jack who contacted him and gave him the grenade, Commander Jack turned out to be Catalino Castro, an employe of Vice Governor Emilio Dayanghirang. He implicated the nephew of the Vice Governor, Antero Dayanghirang and the Vice Governor. So

the case was filed with the Provincial Fiscal and a warrant of arrest was issued against the Vice Governor and his nephew but the two went into hiding for seven months. There were 67 victims in that blast, two died... In that incident, 13 of the victims were my relatives. Ang masakit nito, it was supposed to be multiple frustrated murders and multiple murders and yet they were able to get a bail. Somebody powerful intervened, I cannot name him but he is more or less very powerful. That's why in my letter to Gen. Fidel Ramos. I was full of wonder how come this man who was apprehended by the military is now being protected by the military. The accused can go around Davao Oriental, anywhere they wish to go with armalite-toting military bodyguards.

WEEKEND: Is the NPA problem not a problem in your area?

Gov. Rabat: I'm not saying it's not a problem, they are encroaching, they are penetrating. Unless something is done, they will succeed because of the methods that they use. Now here again, are they the NPA that are doing all of this? That's the big question. Because I've known the activities of the NPAs, they do not threaten people, frighten or kill people because of their desire to attain their objectives, I don't think this is done by the NPA. Suddenly, in the last five or six months, there has been a surge of killings all over and everything seems to be charged to them, charged to the BMA, there could be other groups also...

WEEKEND: So what other groups could there be aside from the NPA, the BMA and the PLO?

Gov. Rabat: I really wouldn't know. But I'll give you a factual incident. Not long ago, in Banaybanay, there was a grenade thrown at two members of the INP and three members of the Civilian Home Defense Force (CHDF) by three extortionists so the local command put an entrapment, somehow the culprits were detected and one of them lobbed a grenade at a CHDF man who was not hurt so badly and so he retaliated and killed one extortionist. The extortionist turned out to be somebody from the local area, 37 years old and he is from Luzon and not a member of the Bangsa Moro Army or the New People's Army. But the man who was killed was identified in the papers as either charged to the NPA or the BMA. It could be done by a gang or a syndicate or a hired gun or a composite team of bad elements in Mindanao... I think the economic conditions have become the generator of dissidents because of poverty.

WEEKEND: Are these rebel returnees actually used by the military in counter-insurgency operations?

Gov. Rabat: Yes, before. If the military can use them as for surveillance, for missions, for whatever reason. And they became a very effective force because they could identify their colleagues. As a matter of fact, a lot of those boys who surrendered in Mati from North Cotabato were able to bring in about 57 whom they were able to convince to come down from the mountains.

WEEKEND: Have you made any attempt to dialogue with these dissident groups?

Gov. Rabat: I will dialogue with the Devil himself anytime in my province if I can have peace. I will not even look if he is Moslem or not.

PHILIPPINES

PAPER SAYS OPPORTUNITY FOR PRC TRADE MUST BE GRASPED

Christchurch THE PRESS in English 4 Jan 85 p 12

[Editorial: "Mr Moore's Mission"]

[Text]

The changes in attitudes and the economic development China is pursuing make the present an appropriate time for New Zealand to increase its trade with China. If the opportunity is not taken, it may not come again. For this reason alone, the attempt by the Minister of Overseas Trade and Marketing, Mr Moore, to increase the trade between the two countries was particularly timely. It is too early yet to say whether the mission was successful in its longer-term aims; but, in the short term, it must be counted a success. Because the mission was led by a New Zealand Minister, the party, which included about 45 New Zealand businessmen, was met by a number of Chinese Ministers. Some businessmen, who had been to China several times, considered that they had not been received before at such a high level of Government. A number of deals have been completed; others are likely; the full effects of the trade mission may take years to show. It would have been negligent not to have made the extra effort when the mood seemed right.

The China trade mission was a further example of what is becoming a distinct Moore style. The plane that took the mission to China was an Air Force aircraft. The business people paid towards the cost of the transport at a rate that was slightly below what an economy air fare would have cost on a normal airliner. They also paid for all their accommodation and meals in China. For their part, whether the mission would be worth while was a business calculation. Most of the business people had already had some dealings with China and there was bound to be some scepticism about the usefulness of taking part. It is remarkable that they came away enthusiastic. Some concluded business deals; others made contacts who are likely to be useful later.

The China mission was the second mission of the kind that Mr Moore has led in the short time since he became Minister. The first was to Japan and South Korea. Twenty-three people took part in that mission. Between the Japan and the China missions, Mr Moore made a trip to Rio de Janeiro to attend a meeting of the General Agreement on Tariffs and Trade, and also went to Brussels. Earlier, just after the election, he went to Australia, where he met a number of Ministers.

On the trip to Australia he took the president of the Federation of Labour, Mr Knox, and the talks that Mr Knox was able to have, in some of which Mr Moore took part, appeared to have planted an idea that Mr Moore was to use on the later missions. This was that one or more trade unionists should accompany the business people and Government officials. Mr "Blue" Kennedy, secretary of the New Zealand Meat Workers' Union went on the trip to Japan, and Mr Wes Cameron, also of the Meat Workers' Union, and Mr Garth Fraser of the United Food and Chemical Workers' Union, went to China. The idea of taking top-level trade unionists is an excellent one. The trade union leaders see, in the export market itself, the products that their members are working on here; they must acquire a sharper sense of the demands of importers abroad; and there is also an exchange of views among the members of the mission, leading to a better understanding of each other's problems all round.

Mr Moore has an undoubted capacity to be enthusiastic himself and to generate enthusiasm among others. He was always acknowledged in the Labour Party as an ideas man, though there were considerable doubts within the party and in the community at large about his application in seeing the ideas through. As an Opposition

member, he seemed to flit from topic to topic, not always mastering any. As a Minister, his energy has seemed boundless and one of the ideas that he has promoted is that of a co-operative approach to exporting. He has done much to further this idea and, at some of the top levels of the economy at least, he is having an effect. How far these ideas will penetrate through the country remains to be seen. Mr Moore's approach has been lively and coherent. Some of the doubts about his ability to apply himself effectively have been shown to be mistaken.

It could be argued that while China represents a market of less than \$200 million for New Zealand at present, some markets are worth close to \$1 billion, and Mr Moore might be wise to direct some of his effort to these. Such criticism would not be fair because, among New Zealand's top four markets, Japan, the United States, Australia, and Britain, Mr Moore has already paid considerable attention to Australia and Japan. Trade with the United States is more a matter of contact between business people than Governments. A great deal of the trade with Britain is butter and sheepmeat, which are under quotas and have more to do with international agreements and laws than with enthusiasm. In any event, the seeking of increased markets in countries such as China is part of an attempt to get away from the dependence on the European market where trade, unfortunately, is shrinking. New Zealand has diversified its export markets considerably since the European threat became clear, and particularly in Japan. Mr Moore is making a robust contribution to further diversification.

CSO: 4200/472

PHILIPPINES

U.S. BASES ISSUE DRIVES WEDGE IN OPPOSITION RANKS

Quezon City VERITAS in English 13 Jan 85 p 14

[Text]

**T**HE RP-US bases agreement which expires in 1991 is already driving a wedge in the opposition. Ironically, the stand against the presence of the US bases in the country is supposed to be one of the guiding principles that would unify the 11 probable standard bearers (PSBs) in the list of the Convenor Group.

Former Sen. Salvador "Doy" Laurel, president of UNIDO, refused to sign the declaration of principles because of the statement which reads: "Foreign military bases on Philippine territory must be removed and no foreign military bases must hereafter be allowed."

Laurel proposed that the statement should read as follows: "Foreign military bases constitute a diminution of Philippine sovereignty and involve the peace, security, and survival of the entire nation. Therefore, foreign military bases should not be allowed on Philippine soil without the consent of the sovereign people obtained through a free and honest plebiscite or referendum called for the purpose."

"With this change in phraseology, I believe that we will be able to underscore the need to remove from the realm of executive agreements the matter of foreign military bases which should be left to the sovereign people for their decision and at the same time obviate any possible implication that we in the

Opposition stand for the unilateral abrogation of our country's treaty obligations," Laurel told former Sen. Lorenzo Tañada, Convenor Group chairman, in a formal letter.

Laurel also said that his suggestion was based on the recommendation of the UNIDO Council of Leaders composed of former senators Ambrosio Padilla and Francisco "Soc" Rodrigo, MPs Honobono Adaza, Eva Estrada Kalaw, Jose B. Laurel Jr. and Rogaciano Mercado; former Congressman Tito Dupaya, Zamboanga City Vice Mayor Susan de los Reyes, and Luis Mario General.

When the Convenor Group and the PSBs (except MP Kalaw who refused to join the group) rejected his proposed amendment, Laurel withdrew from the Convenor Group's list of PSBs.

Tañada said he was "amazed" at the new position of Laurel on how the principle on foreign bases in the country should be worded. He noted that Laurel agreed to a similarly worded principle when UNIDO and PDP-Laban forged a coalition agreement in June 1983. He added that last November, Laurel sent him a copy of the agreement, called Declaration of Common Principles of the Allied Opposition, saying that it could be a basis for unity.

"Hence, I really find it difficult to understand your objection now," Tañada told Laurel in a formal letter of reply.

**T**AÑADA stressed that there is valid ground to ask for the removal of the US bases considering that the agreement was "practically extorted" from the Philippines, which was then reeling from the devastation of World War II. He added that even if the agreement was valid, the Philippines can still be released from its treaty obligations because of its right of self-preservation.

Tañada amplified the stand of the Convenor Group in a press conference held last week at the house of Cory Aquino. Said he: "We did not agree to the submission to a plebiscite of the bases issues because that has already been decided by our people when they, in the national debate between the Pros and the Antis, upheld Quezon and disagreed with the Hare-Hawes-Cutting Law which provided for the automatic retention of the bases."

MP Ramon Mitra, a PSB, noted that Laurel did not define what should be submitted to a plebiscite. "Is it the treaty? How can you submit a treaty to a plebiscite? Is it its abrogation? That question can't be submitted to a plebiscite because it has no binding effect — unless of course one merely wants to draw public opinion on the treaty. In that

case, it is at best an informal exercise," Mitra said.

Another PSB, former Sen. Jose W. Diokno, has consistently held that so long as the American bases are here, the Philippines will not be freed from American intervention.

"That is the major reason why I want the bases out. As long as the bases are here, the Americans will feel that they have an interest in intervening in our affairs," Diokno said.

MP Aquilino Pimentel Jr., earlier told *Veritas* that he is for the gradual phase-out of the US bases here. Butz Aquino, another PSB, also told *Veritas* in an interview: "The US bases must eventually go but we will not drive out the Americans the morning after. We will give them sufficient time for withdrawal."

Laurel himself had often spoken against the presence of US bases here, prompting some quarters to wonder if there was another reason why Laurel refused to sign the Convenor Group's Declaration of Principles. His concurrence with the principles does not bind him to the proposed fast-track system of selecting a common opposition standard bearer. — ELD

CSO: 4200/489

PHILIPPINES

MONEY MARKET IMPROVES, SMC TOP BORROWER

Manila PHILIPPINES DAILY EXPRESS in English 13 Jan 85 p 18

[Article by Ellen Samaniego]

[Text]

LOCAL borrowings of private companies through short-term commercial paper issuances more than doubled last year from P1.45 billion in 1983 to P3.33 billion, the Securities and Exchange Commission (SEC) reported yesterday.

The renewed interest in commercial paper flotations of the private sector came as a result of the tight credit situation prevailing during the year, with lending rates of most commercial banks ranging from 40 to 60 percent, SEC sources said.

During the year, SEC approved the commercial paper issuances of 14 firms, of which ten were authorized under ordinary registration exempted from the committed credit line (CCL), one under ordinary registration with CCL and three under special registration.

The biggest corporate issuer during the period was San Miguel Corp. with authorized debt ceiling of P2 billion, as exempt issuer.

Other exempted issuers included Philippine Packing Corp. with P150 million worth of commercial paper flotations; Procter and Gamble Philippines Manufacturing Corp. with P100 million; California Manufacturing Co. Inc. with P50 million; and Union Carbide Philippines Inc. with P50 million.

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ALSO exempted from the CCL requirement were Kimberly Clark Philippines Inc. with P40 million; The Shell Chemicals with P30 million; Mintcor Finance and Leasing Corp. with P11.4 million; CPJ Corp. with P10 million; and Philippine Investment Management Consultant Inc. with P5.5 million.

The SEC, on the other hand, approved the flotations of the Manila Electric Co. worth P500 million under special registration as well as Philippine Commercial Capital Inc. with P320 million; and Mercury Drug Corp. with P50 million.

CSO: 4200/489



PHILIPPINES

OIL FIRMS BUY CHEAPER CRUDE ON SPOT MARKET

Manila PHILIPPINES DAILY EXPRESS in English 13 Jan 85 p 18

[Article by Arleen C. Chipongian]

[Text] Local oil companies have reduced their inventories to 50-55 from 60-65 days to take advantage of the low prices of crude oil in the international market.

Cesar A. Buenaventura, Pilipinas Shell Petroleum Corp president, said oil companies were buying crude at spot prices because these are markedly lower than crude bought from term contract suppliers.

In another development, Buenaventura said the move to mothball one of the three local oil refineries as part of the energy sector rationalization program was not a good idea because it fails to consider the cost put into the construction and maintenance of the refinery by the oil company.

Crude oil bought from term contract suppliers reach \$29 per barrel, as against spot prices of between \$27.40-\$26 a barrel.

Buenaventura said his company gets two-thirds of its crude oil requirement at spot prices.

In addition to lower oil prices, the spot market also offers attractive terms which include 90-180 days credit, with the first 30 days interest-free.

The low inventories of the local oil companies could also be attributed to the continuous drop in the prices of crude oil in the international market.

The oil glut has led to weakening prices of imported crude, he said.

The oil company president meantime said Pilipinas Shell still has term contracts with suppliers as Brunei Shell Co Ltd, Shell International, Petronas Malaysia and Pecten in the United States.

It would be more advisable, he said, to organize a program which would see to it that all refineries work more effectively and efficiently.

Earlier, Energy Minister Geronimo Z. Velasco said underutilization of refineries could lead to the possibility of one refinery being mothballed.

He, however, added that other ways to maximize the use of refineries would be to service the refinery requirements of neighboring countries.

Buenaventura, also a Monetary Board member, stressed that the decision to mothball a refinery should be made only after exhaustive studies to prove that one local oil refinery is inefficient enough to merit being closed down.

Pilipinas Shell only refines 30,000 barrels of crude oil from its refinery capacity of 60,000 barrels daily. On the other hand, Caltex Phils uses only 40,000 barrels daily out of its refinery capacity of 65,000 barrels a day. Bataan Refinery Corp, owned by state-owned Petrophil Corp refines 80,000 barrels of crude against its capacity of 155,000 barrels.

Buenaventura stressed that whatever decision would be reached should be made on the commercial aspect of the refinery's operations than being a mandate from the government.

The oil company president also said that rationalization program of gasoline stations would probably take some three to five years.

Gasoline stations which would be closed down are those along the light rail transit route, he said.

He added that oil companies would see to it that service stations whose volume demand has consistently declined would also be closed down.

CSO: 4200/489

PHILIPPINES

ASIAN TRIBES SIGN SOLIDARITY PACT IN BAGUIO CITY

Manila PHILIPPINES DAILY EXPRESS in English 12 Jan 85 p 5

[Article by Paul Icamina: "'We Belong to This Land and No Other'--Asian Tribals Sign Solidarity Pact"]

[Text] Baguio City--They have come together in "mutual respect to share and reflect on our history, traditions, problems and aspirations." And they left with a solidarity pact as an expression of "our affinity to the land, solidarity to one another and to our common struggles."

It was the first ever regional gathering of indigenous peoples of Asia and the Pacific, attended by tribals from Australia, India, Indonesia (Irian Jaya), Japan, Malaysia, Philippines, Thailand and Sri Lanka. Baguio City was an apt setting because it is the gateway to the Cordillera Mountains where tribals are restless over land issues and are, in fact, seeking autonomous rule.

"Our ancestral lands have become the last frontier for development, but a development which does not include us," said lawyer William Claver, head of the Cordillera People's Alliance. Since June the Alliance has demanded for a Cordillera autonomous region and the right to ancestral land, its disposition, use and management.

"All over Asia, the way tribals look at land is how to use it as a means to survival, to give the basic minimum needs," said Raajen Singh and India's Save the Forest, Save Man" movement. "Land alienation, displacement from ancestral land, and curtailment of rights to use forest land and produce are in the main problems of tribals in India. They also share with the rural poor problems like unemployment, low wages, bonded labor, etc as a result of the forcible absorption of tribals into modern agriculture and industries."

While the participants were by no means representative of all Asian tribals, the stories they had to tell were revealing. The recurrent theme: Land, or the lack of access to ancestral lands and the threat, if not actual harm, made by development projects, mining and logging operations and the settlement by non-tribals of forest land. Like the case of Southern Irian Jaya's Amungme people.

It was in 1623 when the Amungme had its first contact with Westerners who saw the snow on one of Southern New Guinea's mountaintops, the first time snow was sighted in the tropics. But it was in the last two decades that were particularly disruptive to the tribals: The voluntary exodus of half the tribe to the Akimuga flatlands in the early 1960s and the encroachment of the American mining company Freeport Minerals upon the Amungme's ancestral land south of Mount Jaya and the consequent compulsory resettlement of the remaining highland Amungme to Timika.

Next to oil and gas, copper is the second most important export of Irian Jaya, Indonesia's most remote eastern province. The Freeport mine is the world's largest above-ground copper mine, covering 100 square kilometers of the Waa and Tsinga valleys inhabited by the Amungme. Conflicts arise, the inhabitants of the valleys resenting the fact that they cannot enter the Tembagapura mining town although it sits on the one route between the two valleys. It is alleged that some local leaders are receiving monthly honorariums from the mine and have installed heavy security.

"The mining has created a breakdown of Amungme culture and society south of Mt Jaya," reported a participant from Irian Jaya. "Losing most of their land and without adequate technical know-how to work in a high-tech mining operation, plus the allegations of involvement (in the separatist movement), the highland Amungme have no other choice than to resettle at Timika or become scavengers on their own land."

The Amungme tribe which inhabits the 17 valleys around Puncak Jaya and most especially those in Waa and Tsinga valleys did not move to Akimuga in the voluntary exodus of the 1960s. This is because they consider the area holy, home of spirits where bodies are cremated and religious celebrations held. Sooner or later, the remaining 3,000-odd Amungme still living in the Waa, Tsinga and Wea valleys around the Ertsberg and Ertsberg East mines will have to move downhill. Already, even before the Amungme land problem is resolved, the future capital town of Mapurajaya is slated to accept 6,000 migrant families from Java and Bali.

As in Irian Jaya, a wealthy land can be a threat to the survival of Indian tribals. More than half of India's tribals are found in a geographical belt which starts just north of Bombay, running all the way to northeast India where most tribes are concentrated. Some 75 percent of tribals are settled in this belt which also accounts for over 70 percent of the country's mineral and forest wealth. And tribal lands are threatened by the government policy to exploit these resources. For instance, a prestigious hydroelectric project in central threatens to displace over a million tribals and submerge thousands of acres of forestland.

"The most important (tribal) issue in India today is the prevention of access to forest land and produce for food, shelter and medicine," Singh reported. "The proposed Forest Bill of 1980 (will) severely restrict the right of tribals to forests. The bill gives forest guards permission to 'shoot at sight' any person (inside) the forest without permission."

Mass protests have temporarily delayed the bill's approval.

India's Constitution guarantees the rights of tribals to education and employment. But only tribes listed in the Constitution have such concessions, and many tribes are yet to be included in the list. As it is, most tribes are landless (80 percent of India's landless) and no land has been released to tribal communities since the 1950s. It is only in the northeast where land is still owned by tribals.

In Thailand's northern provinces, tribals who make up 80 percent of the population in the northern provinces have become a marginalized people. "The Government now treats us as though we are illegal immigrants, we do not have the right to own land, hold government office and many of (us) are not allowed to hold Thai citizenship," a tribal representative said. Education is taught in the Thai language and there is pressure to change tribal names into Thai names. They are sometimes resettled in "self-reliant" villages, but loss of traditional livelihood has even forced some tribal women into prostitution to earn enough money to survive.

Blamed for forest degradation because of their slash-and-burn agriculture, the tribals are now deprived of their best land now used for reforestation. Tribals are no longer self-sufficient in rice and must plant cash crops to earn money for food. "With very little land left for us to farm, it is impossible to make enough money even from our cash crops," the Thai delegate reported. "If this kind of policy continues, we will very soon be a minority in our own land."

Again, the recurrent tribal nightmare of lack of land, as in Malaysia where "many indigenous peasants (have) become landless and forced to work as hired labor at low wages or as tenants on the very land that they owned before. They have no voice in Parliament because they have no representatives to speak for them. The exploitation of their natural resources by mining and timber companies has been increasing."

Japan's Aynu (or Ainu) people originally settled Hokkaido, the Kurile Islands, Sahalin and northeast parts of the mainland. Conquered by mainlanders in the 1800s, the Aynu's language and customs were outlawed, their lands taken over. The Aynu identity was gradually lost, today the people driven into inner Hokkaido. "Even now there are many Aynus who feel nervous about the word Aynu," said an Aynu participant. "Because of discrimination many Aynu are keeping their origin secret today."

The Aynu population could number around 50,000 although government statistics put it at 18,000. Today's Aynu is trying to regain its pride and identity. They have started to edit their own history, so far written only by the Japanese. Women are learning to make traditional garments. Although very few can speak the Aynu language now, it is being taught to children, including kindergarten (education is taught to Japanese). Memorial services for heroes, depicted before as rebels, have started.

The biggest Aynu association, the Jekkaido Utari Association of 3,179 families, is now demanding greater say on the Japanese claim over the Russian-occupied islands of the "northern territories." The association also wants the Aynu people recognized as a distinct ethnic group, its rights properly respected.

In Sri Lanka, the agricultural investment zones in the districts of Mannar, Vavuniya and Moneragala will open a 7,214 square kilometers fertile valley to transnational corporations and cash crop plantations. More than 330 square kilometers in Moneragala district alone will be handed over to multinational companies for their use and administration. About 80,000 acres of this land are to be brought under sugarcane cultivation by three joint companies mainly owned by foreign companies.

Already, peasants of Moneragala have resisted the work of one company when it started felling and uprooting lime and orange trees and invading the gardens of peasants. The Metal International Company's area includes 10 villages of 3,000 people. The peasants cultivate about 1,500 acres and use about 4,000 acres more for shifting cultivation. Three ancient Buddhist temples also occupy about 60 acres of the concession area. (DEPTHNEWS Asia)

CSO: 4200/489

PHILIPPINES

OPPOSITION MP'S DISCUSS 'MANY FRUSTRATIONS' AGAINST KBL

Manila BULLETIN TODAY Sunday Supplement PANORAMA in English 13 Jan 85  
pp 7, 8, 42

[Article by Sheila S. Coronel: "The Opposition MPs: 'We're Doing Our Best'"]

[Text]

**A**LTHOUGH THEY are a diverse group representing different political parties and spanning varied political backgrounds and persuasions, these 60 members of Parliament prefer to call themselves simply "the opposition."

It is a label plain and unadorned, designed more to emphasize the group's contrary position vis-a-vis the administration rather than to stress the shades of difference that set apart the various blocs within it. At the onset, the opposition MPs had called themselves the "coalesced minority," a term which underscored both their diversity and their small number.

Only in December, after barely five months of working together, did they rename themselves, using a label which put greater stress on their oneness. It was a second baptism which, not

quite accidentally, coincided with the various unification initiatives launched by the different opposition blocs both within Parliament and outside. The unity moves were spurred by the prospect of presidential demise. As the possibility loomed that President Marcos would not be in power for much longer, it is, for the opposition, once more a season of hope.

Because they had been kept out of the main arena of power for almost two decades, opposition politicians were eager to get back into center stage. Trying to get their act together in time with the forces of mortality which were besieging Mr. Marcos, they sometimes stumbled over each other in their haste. Though they had managed to orchestrate their moves while working together in the Batasan, conflicting personal ambitions and party

goals often blocked the attempts at unity when it came to defining the process of choosing Mr. Marcos' successor.

In the past month, the intramurals within opposition ranks overshadowed the Batasan which was then in holiday recess. To some observers that only stressed the Assembly's secondary role in the calculations of both the government and the opposition outside Parliament.

Yet, however little it has achieved, the Batasan is, for the parliamentary opposition, a valuable political workshop where long dormant political skills are honed, strategies perfected, personalities projected. Whatever its limits, the Assembly has served the opposition as a laboratory where political experiments are conducted, formulas worked out and calculations made.

True, the legislative mill may grind exceedingly slow, but that is only one of the opposition's many frustrations.

NOT THAT the opposition MPs entered the Batasan with great expectations. Despite the fact that opposition party platforms during last May's elections included such ambitious items as the impeachment of Mr. Marcos and the repeal of Amendment Six of the Constitution which allows the President to enact laws independently of the Batasang Pambansa, opposition parliamentarians came armed only with modest expecta-

tions.

"I was hoping that the assemblymen would vote not always according to party lines but according to what is right and what is wrong," reveals neophyte MP Hernando Perez.

Says MP Rafael Recto: "My expectations were, considering that we were in the minority, not too high really. When you're in the minority, like in a corporation, you don't count too much. You may make a lot of noise but when it comes to the votation, you will lose."

MP Luis Villafuerte, once Marcos' minister of trade, states that he had hoped that over time, the opposition would be able to "put the legislative mill of the Batasan on the right track." However, he confesses now, "I am pessimistic (whether we can achieve this) because it seems even the committee work is rather slow. The KBL is in the majority and they tend to wait for signals rather than to act even on very non-controversial resolutions or bills."

By now, most opposition MPs are resigned to the reality that, unless there is some drastic change in the political situation, their role in the Batasan is not primarily that of enacting new laws. At least, "not unless we can get away with it," Recto remarks. "Besides, we already have too many laws" MP Augusto Sanchez adds, "What we need to do now is repeal these laws, specially the repressive presidential decrees."



Writing of the Batasan's poor law-making record at the end of its second session, former assemblyman and information minister Francisco Tatad claimed that the regular Assembly had suffered from legislative failure.

KBL officials have tended to blame the opposition MPs and their extended debates for such failure. The oppositionists, however, throw the accusation back into the majority party's court. "If it is true, as the Constitution states, that the program of government is the main responsibility of the ruling party," Villafuerte explains, "then the failure of legislative work should be attributed to the KBL because they have not done anything. The opposition has filed more bills of national interest than the KBL has."

In truth, when it comes to making laws, the President has outdone both the opposition and the KBL. Making liberal use of Amendment Six despite his assurance during his state-of-the-nation address at the opening of the National Assembly last July that he would do so only in emergency cases, Mr. Marcos has since enacted several tax and other measures by virtue of his decree-making power. In the area of economic legislation, specially, the Batasan, despite an assertive opposition, has remained an irrelevant and ignorant appendage.

"In the first place, we don't even know what's happening," says Recto in exasperation. The Batasan was not consulted, nor was it even informed, despite the opposition's agitation, of the

contents of the letter of intent submitted by the Philippines to the International Monetary Fund. The letter of intent contains major economic policies which have to be implemented as a condition for the \$600-million loan from the IMF.

Even a Cabinet minister, Labor Minister Blas Ople, revealed in a recent press conference at the National Press Club that he had no knowledge of the contents of the letter of intent. He spoke of the "abyss" created between technocrats and other ministers and advised "a policy

of candor specially when commitments impose onerous burdens on the population."

WHAT IS doubly frustrating for the opposition, however, is that even when their proposals are in accordance with law and make perfect sense, even when these do not touch on ultra-sensitive matters, they also face almost insurmountable difficulties.

Villafuerte cites as an example a resolution he filed directing the Commission on Audit to make a utility rate audit of the National Power Corporation. After initial objections the majority party finally agreed to the proposal, "because there was no way they could go against what the law provides," Villafuerte recounts. However, the KBL agreed to conduct the audit only on condition that there would be no formal resolution filed on it.

The same thing happened when the opposition as one filed a resolution demanding that Prime Minister Cesar Virata

explain to the Batasan the causes of the economic crisis and the government's programs for economic recovery. Again, the KBL agreed to comply with the proposal only if no formal resolution were filed.

Perez cites another instance when he filed a bill repealing the decree providing for the windfall profits tax. After two months, during the time the Batasan was in recess, the President issued another decree abolishing the controversial tax measure. "To add insult to injury," says Perez, "I received a notice that the proposed bill would be heard at the committee level even after the decree was already repealed."

"The President and the KBL are taking the thunder away from the opposition," Perez explains. "Whenever they feel that it would be very difficult for them to defend certain measures, they just repeal it themselves, thereby depriving the legislature of its legitimate function. That way, they could probably even claim that it's better to have Amendment Six, that the enactment of laws is too cumbersome when done by the Batasan. Actually, we could have done things faster if the KBL were not in the habit of sitting on measures."

True, if the opposition is to be faulted at all in the area of legislation, it is only in that it has drafted too many measures. Specially in the beginning, the minority was rather trigger-happy in filing parliamentary bills, hitting at practically any-

thing in sight. Sometimes, these bills were even contradictory in some aspects. Thus, Ople's charge that most of the bills filed by the opposition are "nothing but polemical expressions." After the initial volleys, however, the opposition has become more relaxed, with the MPs training their guns on choice targets and firing from various agreed-upon vantage points.

DESPITE ITS limited legislative role, the opposition does not find itself grappling with thorny existential questions such as its reason for being. For in its view, there are ample enough reasons.

Villafuerte, for example, cites four other functions of the Batasan apart from its legislative function. These include the deliberative function, the use of the Batasan as a forum for airing issues of national concern. "This is both informative and educational," says Villafuerte, "and may result in policy changes and the crystallization of public opinion." Oppositionists agree that it is in this area—the discussion and debate of issues—that the opposition has been most successful.

Another function is the administrative and reorganization function by which the Batasan may "define the administrative rules of conduct of government officials, establish the standards of implementation of laws, approve the budget necessary to carry out the business of government and to create, abolish or restructure offices."

A third role which the Batasan takes is the investigation of government neglect, inefficiency and corruption. A fourth, according to Villafuerte, is the quasi-judicial role whereby the Assembly may initiate impeachment proceedings and cause the removal of persons in government.

To the other opposition MPs, the opposition's major role in Parliament is more simply put: that of fiscalizer, checking the program of government of the majority party, correcting it when necessary and acting as a deterrent to government anomalies and abuses.

In this respect, the opposition has exploited to the fullest—to the KBL's great consternation—its use of the question hour, the privilege speech and the time set aside for the interpellation of the members of the majority party. Speaker Nicanor Yñiguez acknowledges as much when he cites as one of the Batasan's major achievements "the ventilation of crucial issues of the day through the question and privilege hour which took an intensive look into the conduct of government."

In the course of five months, the Batasan opposition scrutinized a range of issues including Amendment Six, the Bataan nuclear power plant, the anomalies in the sugar industry and military abuses in various regions of the country. It is also conducting a series of investigations of the controversial Deputy Human Settlements Minister Jose

Conrado Benitez and his scandal-wracked ministry. Earlier, the opposition initiated a no-confidence vote against Prime Minister Virata.

For neophyte MP Hjalmar Quintana of Quezon, who until now confesses his reluctance to take the floor because, in his perception, and experience of the other MPs, the existence of a fighting opposition in the Batasan is achievement enough.

For ousted MP Aquilino Pimentel, however, the Batasan's greatest achievement so far is the unanimous passage of Resolution 162 forbidding the forcible dispersal of protest actions. "For the first time in the history of this government, since martial law was imposed," he says, "an agency of government, the Batasan itself, denounced the violence inflicted on a peaceful rally and upheld the right of the people to peaceful assembly." "What is of special significance," Pimentel adds, "is that the resolution was unanimously passed. . . . To my mind, this manifests that there are certain issues where the various parties within the Batasan are able to transcend partisan considerations to uphold the rights of our people."

Villafuerte hopes that there may be more crossing of party lines on the KBL's part, specially among those perceptive enough to read the signs of the times. Himself a former KBL man, Villafuerte now says: "That's why I keep telling the KBL in the Batasan,

specially those newly elected, that if the only time they stand up is when they're going home, they will never get reelected. In the end, they will only punish themselves. From the interim Batasan's 178 KBLs, only 50 were reelected."

AT THE MOMENT, the opposition in Parliament is busy ironing out unity agreements. This is not easy as party loyalties are still strong, although they have been diminished somewhat in the course of the various MPs working together and the frequent holding of opposition caucuses to map out strategies in the Batasan.

The opposition MPs belong to a motley array of political parties: Unido, PDP-Laban, National Union for Liberation, Mindanao Alliance, Concerned Citizens Aggrupation, Liberal Party and Bicol Saro. Within the Unido umbrella itself, there are various permutations such as the NP-Unido, LP-Unido, Laban-Unido and the unaffiliated Unido. Though party platforms do not radically differ from each other, most being directed at the democratization of Philippine political and social life, party affiliations are still strongly felt.

Yet there are many characteristics that bind the opposition MPs. Most (roughly three-

fourths) are lawyers and more than half are quite young, being still in their thirties and forties. A significant number are political neophytes, taking elective government posts for the first time in their careers. One-third of them come from Southern Luzon (Bicol and Southern Tagalog) and if we add the 15 from Metro Manila to this list, that would account for more than half of the oppositionists. Altogether, the MPs from Luzon make up two-thirds of the Batasan opposition, with only seven MPs from the Visayas and 10 from the entire island of Mindanao. In general, the opposition forms a demographically homogenous group.

Clearly, at this stage, it is still too early to make a definitive assessment of the opposition's performance. But despite their difficulties, the opposition assemblymen are hopeful. "I could see that there is great promise, that somehow the Philippines would never be the same again with a vocal and determined group within the Batasan articulating the aspirations of our people," says Pimentel.

Says MP Neptali Gonzales, "We may not meet the highest public expectations but in our hearts and our conscience, we know we're doing our best." ●

PHILIPPINES

REBEL PRIEST ORTEGA, OTHER LUZON NPA ENCOUNTERS

Manila BULLETIN TODAY in English 13 Jan 85 p 8

[Article by Sid Chammag]

[Text]

CAMP DANGWA, Benguet — Regional unified commander Brig. Gen. Tomas Dumpit said yesterday that 11 members of the NPA were killed in separate encounters in the Ilocos region in the last 10 days.

The government side suffered three casualties for the same period in Abra, when dissidents reportedly led by rebel priest Fr. Bruno Ortega and commander Mailed Molina ambushed a military patrol.

The identities of the slain NPAs and the soldiers were not released.

The first encounter took place Jan. 3 near the boundary of Claveria, Cagayan and Ilocos Norte where four NPAs were killed by elements of Task Force

Amianan.

The second encounter in the town of Vintar, Ilocos Norte and Kalinga-Apayao boundary, resulted in the killing of two rebels by elements of the 50th Infantry Battalion last Jan. 7.

In Cervantes, Ilocos Sur, three dissidents were killed by PC troopers last Friday, while two other NPAs were also killed in Kayapa, Bakon, Benguet last Monday.

Gen. Dumpit ordered his staff to conduct an in-depth study why insurgency continues to exist.

Gen. Dumpit also ordered all military unit commanders in the Ilocos region to exercise maximum tolerance in dealing with civilians to regain the military's credibility. (Sid Chammag)

CSO: 4200/489

PHILIPPINES

TOLENTINO CRITICIZES SRV, URGES ATTACKS IN CAMBODIA STOP

Manila BULLETIN TODAY in English 13 Jan 85 p 8

[Text] Foreign Affairs Minister Arturo M. Tolentino said the intensification of Vietnamese military operations in Kampuchea nullifies the protestations of Vietnam to reach a peaceful solution to the Kampuchean problem.

Expressing concern over the recent Vietnamese attacks on civilian camps near the Thai-Kampuchean border, Tolentino said the armed activity also runs counter to the objective of the ASEAN-sponsored resolution in the United Nations.

The resolution on the Kampuchean problem calls for the withdrawal of Vietnamese troops from Kampuchea.

Tolentino said the Vietnamese offensive is a violation of the principles of the UN resolution seeking political solution to the Kampuchean conflict and belies Vietnam's position that it wants to get out of Kampuchea.

"The attacks at the Nong Chan and Nong Samiet camps and the ongoing troop movements indicating the imminence of an attack at Ampil can only exacerbate the plight of thousands of suffering Kampuchean refugees who have been forced to seek safety into neighbouring Thailand," he said.

Tolentino reiterated his appeal to Vietnam to stop its military operations as soon as possible and to heed ASEAN's call for a political solution to the Kampuchean problem. (OSG)

CSO: 4200/489

PHILIPPINES

UNCTAD CONCERN OVER PROTECTIONISM AGAINST RP EXPORTS

Manila BULLETIN TODAY in English 12 Jan 85 p 15

[Text]

The United Nations Conference on Trade and Development (Unctad) has expressed concern over the ability of the Philippines to successfully promote exports on a large scale considering protectionist trade barriers put up by its trading partners.

Assessing the country's trade outlook, Unctad said that efforts of economic authorities to promote exports can only be successful "to the extent that exportables enjoy access to the markets of principal trading partners".

Unctad submitted its own country assessment during the Paris Club meeting on the Philippines late last month.

Philippine exports that are subject to non-tariff measures vary in the markets of industrial countries.

Unctad reported however that 22 percent of Philippine exports to the US are subject to trade barriers. The figure for Japan is 14 percent while for the country's eight European trading partners, 29 percent of Philippine exports fall under trade protection laws.

Most of the trade barriers against Philippine exports, according to Unctad, are due to the application of the multi-fiber agreement.

To these restraints, the UN agency noted, must be added tariff mea-

sures which are also significant estimated at approximately 6.3 percent in the US, 24.1 percent in Japan and 3.7 percent in the European community.

If these trade walls are knocked down, Unctad estimated that Philippine exports to the US would rise by 28 percent, while those to Japan and the European community would similarly increase by 18 and 44 percent respectively.

Unctad warned however that exports can only increase significantly in the short and medium term if fuller use can be made of existing capacity

CSO: 4200/489

PHILIPPINES

SOUTHERN TAGALOG NEWSMEN, 'CONCERNED CITIZENS' CITE VER'S HEROISM

Manila BULLETIN TODAY in English 12 Jan 85 p 12

[Text] Southern Tagalog newsmen who had covered the military for the last 30 years, who are oldtimer journalists of the defunct Second Military Area and the Second PC Zone led by Leonie M. Manipol, have listed AFP Chief of Staff Gen Fabian C. Ver (on leave) as one of the top ten Huk fighters during the early days of the Huk campaign in the region.

The assessment on General Ver was made by veteran journalists during a fellowship night and reorganization of the Southern Tagalog Media Association and the Laguna Concerned Citizens League during which Manipol was unanimously elected as president.

The newsmen's group recalled Ver, a mere lieutenant, had been assigned in the province of Rizal and later in Laguna as a member of the intelligence and operations group of Camp Vicente Lim, Laguna.

As a Huk fighter, Ver was responsible for the capture of well known rebel personalities operating in the mountain towns of Montalban, San Mateo, Binangonan, and Jala-Jala.

The dissidents then were virtually knocking at the doors of Metro Mainla and had been conducting raids on Rizal towns in their bid for a final assault. But Lt Ver with a handful of brave men had repelled the falling of the Rizal towns at the hands of the rampaging outlaws.

It was this heroic act that the newsmen's group and the concerned citizens had come up battling for the integrity and sincerity of General Ver who is facing a charge in connection with the assassination of Ninoy Aquino.

Also cited as top huk fighters were then Lt Andres B. Ramos, stationed in Lukban, Quezon, now a Brigadier General and 4th PC-INP and RUC commander; Lt Pedrito de Guzman, now a general and RUC commander in Region 9 in Mindanao; Lt Antonio T. Sierra, then company commander in Quezon, now a full pledged colonel and provincial commander and Captain A. Abella who died in ambush.

CSO: 4200/489



PHILIPPINES

NPA EXECUTES PROTESTANT LEADER, SEVEN OTHERS IN MINDANAO

Manila BULLETIN TODAY in English 12 Jan 85 p 12

[Text]

**PAGADIAN CITY**  
— A Protestant minister, a municipal councilman, a government radio technician and five other persons were executed by suspected members of the New People's Army (NPA) sparrow unit early this week in Zamboanga del Sur, it was learned here yesterday.

In another incident, Mayor Luis Pancho of Dinas town, together with his security guard, were disarmed by four suspected rebels at his house last Wednesday.

Lt. Col. Jesus Guerzon, PC-INP provincial commander, identified the slain minister as Antonio Quinco, 46, of Ramon Magsaysay town.

He was gunned down at barangay Dipalosan while returning home from a religious gathering.

The Protestant

leader was believed liquidated for having openly exhorted his church members to fight the NPA and support the Ilaga, an anti-dissident organization.

The municipal councilman was identified as Enrique Fernandez, 64.

Sabino Villarmino, 37, a radio technician of the Bureau of Telecommunication (Butel) in Pagadian City, was shot dead while on his way to the transmitter station.

Guerzon identified the other fatalities as Simeon Ansaben, 34, of barangay Tubo, Labuyan town; civilian home defense force member Dionisio Taclob, 34, of barangay Batungan, Tungawan; Francisco Rabacia, 28, of barangay San Juan, Imelda; and Miguel Flores, 40, of Buluyagan, Pagadian City.

CSO: 4200/489

PHILIPPINES

BROWNOUTS, KILLINGS, RAIDS PROMPT FEAR IN BACOLOD

Manila BULLETIN TODAY in English 12 Jan 85 p 6

[Article by Primo Esleyer]

[Text]

BACOLOD CITY — This capital city of Sugarlandia is fast becoming another wild West with people, suffering from long brown-outs, being shot at in cold blood.

This city used to have a colorful night life. Now, without being sure there will be light for the night, people prefer to stay home after six. Their fears are very much founded.

On the last week of December, some killings took place but they have remained unsolved.

Businessman and captain of Barangay 39 Antonio Go was shot at by a gunman inside his store at Araneta St., the busiest section of the city. After shooting Go in front of his employees and customers, the gunman, just walked away casualty. Incidentally, Go is a graduate of the National Defense College.

That same day, Butch Las Piñas, son of Bacolod Vice Mayor Jose Las Piñas, was also shot by a gunman, after having dinner with his companions. Las Piñas survived

but his companion, David Anlap, was killed.

Earlier in the week, at La Carlota City, 45 kilometers south of Bacolod, a security guard of La Carlota sugar mill, Hernane Amar, was shot at while drinking beer in an eatery. Two gunmen just marched in, pumped 12 bullets at Amar and just walked away after making sure Amar was dead. Amar's killers have not yet been identified.

In Bacolod and neighboring cities and towns there are other unsolved killings but have escaped public attention.

Sugar farms in Bacolod, Talisay town, and nearby Bago City have also been raided by armed men posing as members of the New People's Army (NPA) and carting away rice, fertilizers, and other farm animals. Capt. Joel Goltiao, commanding officer of 332nd PC Co. reported that some of the culprits were apprehended.

CSO: 4200/489

PHILIPPINES

BAKUN RESIDENTS FLEE 'ROVING' ARMED BANDS

Baguio City THE GOLD ORE in English 12 Jan 85 pp 1, 9

[Text]

**WHAT'S REALLY happening  
in Bakun, Benguet?**

There have been reports of evacuations towards Bakun Central allegedly because of the presence of roving bands of armed men.

Benguet Constabulary Provincial Commander Lt. Colonel Bernardo Estepa reportedly told newsmen that those evacuees are actually residents of Ilocos Sur who are fleeing to Bakun because of NPA atrocities in Ilocos Sur.

Lt. Colonel Estepa added that 190th PC Company Commander Captain Eugene Martin reported that there are about 20 families now in Bakun Central because of increased NPA activities in the area.

A resident of Bakun who asked for anonymity said it is true that sightings of armed bands of men have increased over the last period. He added that Bakun residents who migrated to the more remote sitios are also among evacuees the central barangay.

The source added that the trouble spots are sitios of Bakun with the borders of La Union and Ilocos Sur provinces. He said a school house in a sitio of Barangay Kayapa is already being used by the armed men, believed to be NPA's, for lectures.

But not all residents of remote sitios evacuate to Bakun central. "Those who are afraid for their lives, they leave. But those who can manage stay and accept the consequences of staying," the source said, meaning lending support to the NPA's. He added that the NPA's might have set up their so-called "invisible government" in the area.

The source reported that according to relatives, there have been about 20 killings during the last three month period. Among the victims are barangay officials, members of the Civilian Home Defense Force militia and suspected military informers. The source added that the people might have been

forced to support the NPA or the people chose to support the rebels because of backwardness of the area and government neglect.

Bakun is the largest municipality in terms of area but it is sparsely populated. The passable road ends at Ampu-songan and one has to hike 16 kilometers to reach Bakun Central. There is a logging road on the northern part of the municipality but aside from this, the municipality is basically a virgin forest area.

The source added that fringes of Bakun are being used as a thoroughfare which connects lowland areas with the mountain provinces. "It is like a highway that connects Abra and Ilocos Sur with Kalinga and Bontoc," he said.

MEANWHILE, some 180 residents of Barangay Kaya-pa, Bakun wrote Benguet Governor Ben Palispis petitioning him to stop the establishment of a Constabu-

lary detachment in their area. A copy of the petition was delivered to the *Gold Ore*.

The petitioners stated that they see no reason for the PC to put up a camp there much less be victims of abuses or forced to join the militia (CHDF). They stated that a military camp there would only bring harm, upset their life and endanger them. "Saan kadi a mangala kami ti apuy a pakauraman mi?" the petition stated.

The paper written in Ilokano stressed that their problem is the lack of land to till, absence of government support for irrigation and waterworks systems, a need for roads and teachers for the community school and high prices of commodities.

Bakun is an agricultural municipality and main products are upland rice, herbs, camote and other tubers.

CSO: 4200/489

PHILIPPINES

ZAMBOANGA DEL SUR TOWN PLAGUED BY 'DEATH SQUADS'

Cebu City VISAYAN HERALD in English 12 Jan 85 p 2

[Text] The residents of Molave, Zamboanga del Sur are now living in fear following a wave of killings allegedly perpetrated by military death squads that have already victimized 38 people in the past three months.

Fr Zacarias Jimenez, 36, Molave parish priest, told Malaya that suspected New People's Army (NPA) members are the main targets of the death squads reportedly composed of rebel returnees.

He said there is "complete lawless," particularly at the Poblacion, and residents are hopeless as the local authorities have allegedly done nothing to stop the killers.

Jimenez said at least one murder is committed every week. Most of the victims are suspected NPA rebels, although several soldiers were also killed. Most of the killings took place at the Riverside squatters area and the municipal market, sometimes in broad daylight.

He said that in the past three weeks three civilians, a policeman and several soldiers were assassinated.

The priest identified the recent victims as Pat Crispin Adalin, Hermongenes Llagas, a Philippine Constabulary (PC) trooper named Sumbe, Ambrosio Villacruz, and Macario Ababa.

Adalin was shot at a store in Riverside last Dec 2, Llagas was beheaded in barangay Rizal three days later. Sumbe was killed Dec 7 at the boundary of Molave and Tambulig, while Villacruz was murdered inside his house at the Riverside.

Ababa, the latest victim, was gunned down at 12 noon near the market last Dec 16 after he was chased by two men. Witnesses identified one of the suspects as a certain Kiram, an ex-NPA rebel who now works as a military informer and is reportedly an active member of the death squads.

Jimenez said Ababa was waiting for his mother at the bus terminal near the market when the suspects attacked him. Despite the presence of many

bystanders, nobody helped the bleeding victim. Ababa was rushed to the local hospital by his brother, but he died on the way.

It was gathered that in April a farmer was shot dead; in June a pedicab driver was abducted and killed by several men on board a military jeep, and in July, a tuba gatherer was shot while having a drinking session with his friends.

A fish vendor was killed in August. Two pedicab drivers were murdered in September while six persons were killed in October. Two others were assassinated last month.

Jimenez said that in the last week of November, a death list was circulated in the town containing NPA suspects.

The list included Jose Dimsay, barangay captain of Makughon and president of the Association of Barangay Captains (ABC); Carlito Alegrado, Conrado Berorondo and Roman Pocot, all members of the Sangguniang Bayan, he said.

He cited revelations of the municipal peace and order council that the military is converting rebel returnees into death squads to kill NPA fighters operating in the nearby Salhg Valley mountains.

The residents and the church are seeking a dialog with Mayor Jose Geromo regarding the escalating violence in Molave. However, the mayor refused, Jimenez said.

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PHILIPPINES

MALAYA INTERVIEWS TANADA ON ROLE IN CONVENORS GROUP

Quezon City ANG PAHAYAGANG MALAYA SUNDAY Supplement in English 13 Jan 85 p 7

[Interview by Joel C. Paredes of Former Senator Lorenzo Tanada: "Tanada Wages a New Battle"]

[Text] If the opposition Convenors' Group seems to be enjoying considerable support from the bigwigs of the various protest movements, it must be largely because of the leadership of the Grand Old Man of the Philippine Opposition, former Sen Lorenzo Tanada, who at 86 continues to be the most consistent and highly-revered administration critic and anti-imperialist.

His vigilant campaigns in the not-so-recent past have, in many instances, reflected the Opposition's stand. And now he feels that he is leading the noble but daring task of unifying the opposition fragmented by the last Batasan elections. Among the opposition figures, in fact, only he could easily join or lead a mass movement dominated either by the militant left or the moderate groups.

Rather touchy on the subject of the controversy created by the Convenors' Group, Sen Tanada nevertheless was able to give us some of his thoughts on the subject. The "fast track" system, a big job for the opposition to determine the presidential candidate that would face the ruling party's bet, is not everything to Mr Tanada, but it is something that he has to continue despite the odds.

Sitting in his sofa inside his office at the sixth floor of the BF Topman building on Ayala Avenue, the senator could hardly relax when asked on his reaction to the decision by a certain power bloc in the opposition to reject the fast track system.

He could not afford to be misquoted this time, said the senator, still remembering how he was dragged into the campaign on the democratic coalition government just because he was the chairman of the Nationalist Alliance for Justice, Freedom and Democracy (NAJFD), the broadest sectoral militant alliance in the country today.

The senator was not sold to that idea at this point in time. But he, not surprisingly, would welcome another idea that he himself was not part of

until a group of businessmen and professionals approached him early December. They had a plan and they needed his endorsement.

The gentleman politician even doubted if I believe in the idea of a fast track system. The media have been focusing serious accusations, not on the old man, but on use of the fast track system itself. Although only the Marcos regime and crony press openly hit the move, former Senators Salvador Laurel and Eva Estrada Kalaw and Member of the Parliament Homobono Adaza rejected the formula offered by the Convenors' Group.

Living up to his image of prudence, the old man hardly said a word that would offend his critics in the other opposition camps.

"Their announcements are to be regretted. However, the people who have accepted the fast track system will not stop," said Sen Tanada. "You can never achieve unity if attempts will be stopped by an announcement of one or two people who want to run for president irrespective of whether the announced convention would take place or not."

The senator was firm when he said that "as long as the standard bearers stick to the agreement, we will go through."

Right now, the senator is spearheading innovations to the original formula of the fast track system through his call for a broad-based representation in the selection of the presidential candidate. This means that not only the political parties will be involved, the sectoral groups will now get representation in the undertaking once familiar only to the political elite.

Although President Marcos apparently rejected plans to synchronize the presidential elections before its scheduled polls in 1987, Tanada was not disturbed at all.

As long as he is alive, Tanada said, he is determined to demand the resignation of the President. "We have all the reasons to demand Mr Marcos' resignation because, instead of improving the economy of the country, he destroyed it."

The dismantling of the Marcos government, asserted the senator, is the duty of every Filipino today. He pointed out that the Convenors' Group's task of unifying the opposition is a decisive move in the people's protest movement.

However, Tanada believes that the people should not stop from staging protest rallies, which he once called the "vital weapon" that would pressure the regime to collapse. Right now he refused to pinpoint a single opposition leader he believes could be the Marcos' successor. Even Tanada's son and confidante, Bobby, a prominent human rights lawyer, said his father never mentioned to him his choice.

"The senator wants to see to it that democracy is working among the people so they would decide," remarked Bobby, who has joined his father in their law firm.



Although the fast track system is getting to be controversial, Tanada is happy with the developments since political organizations have openly signified their intention to support the move "but we are still open to suggestions before we decide on who will run," the elder Tanada pointed out.

He said that several political parties have been wiped out since Marcos declared martial law in 1972 despite claims by some of their leaders that they are alive and well. According to him, these political groups now have yet to prove that they still exist, that they have a mass base for support, before they get the necessary representation in the Convenors' Group.

It was only during the latter part of my interview that I found the senator to be cautious of some political parties and their leaders who claim to be in the forefront of the protest movement.

From the face of the old man, I realized that he doesn't merely want to be used. His actuations, the senator said, is a commitment so that the country will live in a pluralist society where the people respect all ideas.

Indeed, Tanada lives to see the day when his people are liberated from the chains of dictatorship, a dream that continues to remain elusive.

CSO: 4200/489

PHILIPPINES

MALAYA COLUMNIST ANALYZES SEVERITY OF NPA THREAT

Quezon City ANG PAHAYAGANG MALAYA in English 12 Jan 85 p 5

["The Business of Truth" by Alfonso P. Policarpio: "The NPAs--A Real Threat Now"]

[Text]

Watching the New People's Army grow, march and take whole towns all over the country, even if only temporarily, is like you are Rome watching the advance of Attila the Hun across Europe. You feel, if you are on the government side, dismal. You nurture an inkling of being helpless.

From squad guerrillas of eight or nine men, the NPAs' basic unit, they were able to form assault forces of 200 to 250 fully armed men, armed with M-14, M-16 and AK-47 automatic rifles, M-79 grenade launchers, mortars and grenades, in 1984. Early in 1985, on Jan. 3, they mustered a force of 500 men, also fully armed, as we understood the report, and captured the fishing town of Tabina, Zamboanga del Sur. This was, for us, an acceleration of the NPA offensive -- a new game on our ball park.

The rebels, led by Oscar Dahirio, alias Kumander Banner, seized some 100 firearms, a

light machinegun, thousands of ammunition and some radio sets, after disarming the policemen, militiamen and security men of Mayor Rodolfo Ganub. They also carted away all the typewriters, other office equipment and stationeries in the town hall.

About the same time, 100 NPAs raided the Civilian Home Defense Unit in Barangay Caliwag, Calamba town, Misamis Occidental. They took, the report said, six M-1 (garand) and three M-16 (armalite) rifles -- without a fight.

In both instances, they came to the places they were to raid in military fatigues -- so that, said an official in Tabina, the town's people thought they were PC or Army or Marine troops. In Calamba, they ordered the CHDFs to fall in line. They then disarmed the CHDFs and left.

There are other towns and villages overwhelmed by the NPAs. They always came in full military gear. This has hap-

pened in the Davao provinces, in the Samar provinces, in the Bicol peninsula, in other places. The fact is they are here, almost all over the country, and what do they show?

Back in 1966, when President Marcos assumed office and pledged our country would be "great again," the NPAs were not yet the NPAs but the Huks. They were a tiny remnant of the 15,000-strong Huk force dismantled by the late Defense Secretary and later President Ramon Mag-saysay. They were variously estimated at between 150 and 1,000 armed men, and their activities were confined to some 120 square kilometers of Central Luzon. But on their chosen turf, they ruled supreme. Politicians dealt with them or else lost their office, if not their lives. Businessmen cooperated with them or, again, lost their properties and their lives.

"It could build up into a serious threat,"

President Marcos said. "Their base is increasing. The nucleus is there, the germ is there, the guidance is there."

The guidance, at that time, seemed not to be coming from orthodox communist sources. The Huk movement, Mr. Marcos said, "is still more of a Mafia type than a communist cell. Political ideology has very little to do with it. Very quietly, I have gone there and met some of their leaders. Some are undoubtedly hard-core communists. But basically they are guerrilla leaders with a provincial mentality."

This mentality, with emphasis on tangible benefits and rough-hewn social justice rather than any political system, clearly appealed to most of the peasantry. "On the whole," said one former mayor of a heavily Huk-ridden village, "the people in the barrios think that the Huks are on their side."

But the Huks had other means of persuasion as well: that year, 1966, there were 127 Huk-inspired murders in Luzon. Their targets were well-chosen: the mayor of Olongapo City, shot down in his own office; the former police chief of Concepcion, Tarlac, killed for allegedly masterminding a trap that resulted in the

deaths of two Huk fund raisers and three innocent farmers, the outspokenly anti-Huk mayor of Candaba, Pampanga, who had just accepted arms and ammunition from the Manila government.

Ironically, the Huks' chief financial supporter was the U.S. government. In the midst of Huk territory lay Clark Air Base, one of the largest U.S. air bases in the world, with a total complement then of 30,000 Air Force personnel and dependents and 6,500 Filipino employees. Whenever someone from Clark got an urge to take his pleasure off-base, he almost invariably did so in Angeles City, a three-kilometer strip of honky tonks, bars and 350 brothels, just to the south.

And Angeles City, said people of the city, was virtually a Huk company town. Almost everyone was involved in collections for the guerrillas. Jeepney drivers paid a levy of one peso a day. Maids and waiters at Clark Field paid a fixed proportion of their tips. Bar and nightclub owners denied making payments, but government intelligence officials were convinced they did. "It is an established fact," said one senior Philippine intelligence officer, "that no busi-

nessman in Angeles City can start up a business, whether it's a beauty parlor or a laundry, without being approached by the 'syndicate' for regular protection money."

It was such that Benigno "Ninoy" S. Aquino Jr., then governor of Tarlac province, wryly commented: "People don't necessarily want a politician to be honest. What they want is someone to protect them in time of need."

On Dec. 26, 1969, the Communist Party of the Philippines was reorganized and the Huks, also known as the HMBs, or Hukbong Magpapalaya sa Bayan, changed name to the New People's Army. They also dropped the Huks' old Stalinist line, took up the new Mao Tse-tung Thought. Jose Maria "Joema" Sison, a sometime professor at the University of the Philippines became the new CPP chairman. Bernabe Buscayno, alias Kuman-der Dante, emerged as head of the NPAs.

From Concepcion, Tarlac, where the new CPP and the NPA had their birth, the new communists — dedicated to a fault, respectful beyond what they gave their family elders — moved out slowly — to Ilocos Sur, Isabela and Kalinga-Apayao in the north, to Quezon and Bicol in the

south, to Samar, Cebu and Iloilo in the Visayas, to the Davao provinces, Cotabato, Zamboanga, other parts of Mindanao.

In 1984, Defense Minister Juan Ponce Enrile estimated the NPAs to be no more than 5,000, perhaps 6,500 at the most. That, we think, is implausible — when the NPAs could stage raids in forces of 100, 200, 250 and now, in Zamboanga del Sur, 500. But Johnny said something worth pondering: in three years' time, he said, the NPAs could read a position of military stalemate with the government.

In 1981, when we were in Boston, Ninoy asked us how we saw the NPAs. "They are growing and fast," we said. "They now have, we think, the 15,000 fully armed men the Huks had in the early fifties, but armed with weapons a lot more sophisticated than the carbines and the garands the Huks had."

Ninoy accepted that. And when he came home, his own estimate was: the NPAs had an armed force of 17,000. By 1986, unless we could reach a modus vivendi with the NPAs, he said, our government could be in trouble.

This, exactly, is where we are.

PHILIPPINES

MALAYA COLUMNIST CRITICIZES CONVENOR GROUP STANCE

Quezon City ANG PAHAYAGANG MALAYA in English 12 Jan 85 pp 5, 6

["Sharing the Word" by Fr Bel R. San Luis, SVD: "The Convenors' Stand on Bases, Communism"]

[Text] What's eating the political Opposition? It's not only hopelessly divided, but some of their ideas and principles are irrelevant, inappropriate and un-pragmatic.

For instance, in their "Declaration of Unity," the Convenor Group advocates among other things, the removal of the U.S. military bases (Art 3.6) and the legalization of the Communist Party in the Philippines (Art 6).

We're already having a worsening problem of communist insurgency due to the aggressive NPA drive, and here comes the Opposition wanting to legalize the Communist Party in the name of a "pluralistic society." Instead of dousing the fire with water, the Opposition, in effect, does it with gasoline?

In the same vein, there's one thing I can't understand when the Group wrote, "The new leadership will respect freedom of expression and the right to disseminate non-violent programs." Just what do they mean by the term "non-violent programs"? To my mind, when we talk of communism, there's no such thing as "non-violent." From its philosophical root of Hegelian dialectics, violence or class struggle is inherent and inevitable to bring about the Marxist goal: classless society. Moreover, isn't it very obvious that where they organize and operate, whether in the Philippines, in Cambodia or Latin America, violence is part and parcel of their program of expansionism?

As for the issue of the removal of the foreign military bases, I think the people don't see the deeper implications and disadvantages as perceived by such hyper-nationalist leaders like Atty Diokno and Mr Lorenzo Tanada. On the other hand, they see only the advantages.

Although the military bases pose as a grave threat in a nuclear attack, the threat is very remote. On the other hand, some quarters and the majority regard the bases as a countercheck to the communist threat and

expansion in our region. This is felt more now considering the tremendous Soviet military build-up in the Pacific after the Vietnam war.

The main problem the people are facing presently is economic survival during these critical times. The removal of these bases would dislocate some 32,000 workers from Subic and Clark Air Base. This doesn't include the thousands of PX dealers and customers (and "fly-by-night girls"?) who're benefitted by their presence. In short, the Opposition's stand on the U.S. military bases is ill-timed and is aggravating the serious problem of unemployment.

What the Opposition should offer is a concrete, viable economic platform based on a pragmatic philosophy that's responsive to the people's economic problem here and now.

CSO: 4200/489

PHILIPPINES

# OPPOSITION PAPER LABELS MARCOS AS DICTATOR

Quezon City ANG PAHAYAGANG MALAYA in English 12 Jan 85 pp 1, 5

[Front page editorial: "Hail, the Great Dictator"]

[Text] It was most startling--even stunning--statement, the declaration made by Defense Minister Juan Ponce Enrile last Wednesday before a civic club that despite the Supreme Court decision ordering the release of two subversive suspects, Cynthia Nolasco and Willie Tolentino, the President is not obliged to obey the court. In other words, we have here a government of men--not of laws. The martial rule goes on.

Enrile explained that under the decree authorizing the President to issue PDA arrest and detention orders, it is only Marcos who can order the release of persons detained under a PDA.

This implies that President Marcos has the power to reject decisions of the High Tribunal which, under the Constitution, is the last and final authority on court cases brought to it. Supreme Court decisions, it may be stated, have the force and effect of law.

If there is one clear evidence that Marcos is a dictator--unreconstructed, unbridled and untrammelled--this is it. A dictator who holds himself above the law, who can defy even the highest court of the land. He has now given to himself the three powers of government--the power to execute all laws, the power to make laws, under Amendment No 6, and the power to interpret the laws, if he will now defy the Supreme Court.

We may just as well throw out the Constitution. This fundamental law is useless, insofar as Mr Marcos is concerned, a mere scrap of paper without value.

This is exactly how dictators operate. Their every word is the law. No one, but no one, can challenge his authority. Everybody has to bow down to his every whim and caprice.

So, the Supreme Court's decision, as Minister Enrile has pointed out may or may not be honored by Mr Marcos. In Enrile's succinct words:

"A PDA is issued by the President and until this PDA is lifted--and only the President can lift this PDA-- no one can authorize the release of Miss Nolasco and Tolentino."

That's that.

Hail, the Great Dictator. Long live the Perpetuated Dictatorship!.

CSO: 4200/489

PHILIPPINES

PAMPANGA DEPUTY QUILTS KBL OVER MENDOZA REASSUMPTION

Quezon City ANG PAHAYAGANG MALAYA in English 12 Jan 85 pp 1, 2

[Article by Marlen Ronquillo]

[Text] Pampanga Governor Cicero J. Punsalan will resign from the Kilusang Bagong Lipunan soon to protest what he calls as "my unceremonial ouster from office."

Justice Minister Estelito Mendoza took over the provincial capitol at high noon on Jan 8 accompanied by soldier-escorts, calling his move a "mere reassumption of office."

"The party (KBL) has virtually abandoned me. So I guess there is no option left but to get out of it," Punsalan told reporters.

Punsalan's resignation is expected to trigger a wave of similar moves from his political followers, mostly vice-mayors, councilors and barangay captains who have joined the KBL because of Punsalan.

Though Punsalan did not categorically state whether he would join the opposition or not, his resignation would further deplete the KBL ranks in a generally opposition-sympathetic province.

Punsalan's disenchantment with the ruling party which was nearly crushed by an onslaught of pro-opposition sentiments last May 14, was caused by the failure of top KBL leaders to "dissuade Minister Mendoza from taking over the governorship."

Punsalan claims Mendoza is "already a minister, solicitor general and member of parliament" and there is no further need for the latter to take over the governorship.

Punsalan said the KBL top leaders "should have known that I performed my job as governor efficiently and inefficiency could never be a ground for my unceremonial ouster from office."

Punsalan took over the governorship last July 23, after Mendoza's appointment as Justice Minister.



Punsalan ran under the KBL in the 1978 interim Batasan polls and was serving his term when he was picked to run as Mendoza's vice-governor in the 1980 local elections.

Mendoza and Punsalan won as governor and vice-governor also under the KBL.

In the last May 14 elections, Punsalan ran under the KBL but he and two others of the four-party candidates were crushed by oppositionists whose campaign was centered on the murder of two Pampangos--former Governor Jose B. Lingad and former Senator Benigno Aquino, Jr.

He remained with the KBL after the May 14 loss despite several offers for him to join the political opposition.

Meanwhile, Punsalan is expected to finish today the petition to annul Mendoza's reassumption. He will file the case with the Supreme Court.

He also refused to recognize Mendoza's first session at the capitol last Thursday saying Mendoza assumed the post "illegally."

Letters have been sent by Punsalan to capitol chief of offices, saying he does not recognize Mendoza's authority as governor.

Meanwhile, Mendoza denied claims of harassment against Punsalan, his former student at the University of the Philippines College of Law.

Mendoza said Punsalan has been treated well at the capitol. "Where can you find a vice-governor who has a free car and free gasoline," Mendoza asked reporters at the capitol last Thursday.

Mendoza said he recognizes Punsalan as his vice-governor who will receive the compensation due his post.

"There was never any attempt to strip him of power during tenure as acting governor," Mendoza said. According to him, Punsalan made disbursements and appointments and contracted jobs to private contractors.

"Under my term, the contracts awarded by Punsalan to private contractors were done by the government to save money," he said.

Mendoza said he will start looking into the provincial funds which were depleted during Punsalan's short stay at the capitol.

Of the close to P50 million Mendoza claims he saved until he became justice minister last July, only P38 million is left, he said.

Mendoza said no visible accomplishments were made by Punsalan, the depletion of the capitol funds notwithstanding.

Mendoza said the KBL in Pampanga still has the support of the people and claimed the "party will be victorious in the 1986 local elections."

Mendoza will most likely accept the gubernatorial draft.

CSO: 4200/489

PHILIPPINES

BRIEFS

BUKIDNON REBELS KILLED--Three communist insurgents were killed Saturday when constabulary troopers stormed a rebel hideout in southern Bukidnon province, the regional military command in Cagayan de Oro said late this week. The New People's Army (NPA) guerillas abandoned their camp in a remote village in Baungon town, 20 kilometers (12 miles) south of Cagayan de Oro when it was raided, regional constabulary chief Pedrito de Guzman said. Brig-Gen de Guzman told Agence France-Presse that the three slain rebels were among those who attacked and occupied Baungon town hall in November. The regional commander also awarded a medal to a junior constabulary officer who was shot in the right leg during the raid. The NPA, armed wing of the outlawed Communist Party of the Philippines, has been fighting a guerilla war since 1969. Acting Armed Forces Chief Lt Gen Fidel Ramos has said the NPA has 12,000 regulars. The focus of their armed campaign has lately been the southern provinces, where company and battalion-sized formations attack remote towns and isolated military detachments for fire-arms and supplies.--AFP [Text] [Quezon City VERITAS in English 13 Jan 85 p 14]

CSO: 4200/489

## PARTY ACTIVITIES AND GOVERNMENT

### RESULTS OF GOVERNMENT BOND DRIVE REPORTED

BK271454 Hanoi Domestic Service in Vietnamese 2300 GMT 26 Jan 85

[Text] The standing body of the Central Committee to promote the purchase of government bonds recently held a conference under the chairmanship of Comrade Huynh Tan Phat, chairman of the committee, to assess the implementation of Resolution No. 15 of the party Central Committee Political Bureau and a regulation of the Council of State on the issuance of government bonds for national construction. Comrade Tran Phuong, vice chairman of the Council of Ministers, attended the conference.

The conference noted that since 19 December 1983, millions of citizens with socialist patriotism--consisting of our compatriots of various nationalities, cadres, workers, civil servants, members of the armed forces, overseas Vietnamese, and people from the elderly to youngsters and from the border areas to remote offshore islands--have enthusiastically bought government bonds in support of national construction and industrialization.

In the two phases of the drive, the people throughout the country have bought government bonds in cash for almost 2 billion dong, in paddy for almost 6,000 metric tons, in foreign currency with the equivalent value of thousands of dong, and in gold for hundreds of "can" [measurement unit equivalent to 1/10 of 1 ounce]. Some 12 localities have fulfilled or exceeded the set norm by 1-61 percent. They are Dac Lac, Quang Nam-Danang, Ha Bac, Quang Ninh, Nghia Binh, Hoang Lien Son, Vung Tau-Con Dao, Lai Chau, Dong Nai, Nghe Tinh, Lam Dong, and Gia Lai-Cong Tum. Some other localities such as Phu Khanh, Binh Tri Thien, Son La, Thanh Hoa, Ha Son Binh, Thuan Hai, Ho Chi Minh City, Hau Giang, Ha Tuyen, and Hanoi have also fulfilled the set norm by a high percentage.

Meanwhile, thousands of districts, precincts, cities, villages, city wards, organs, and enterprises have exceeded the set norm and thousands of families and individuals have bought government bonds of high denomination--in cash for 50,000 dong upward or in paddy from 1 metric ton upward.

Apart from these successes, some shortcomings still existed in the recent drive to promote the purchase of government bonds. As a result, many provinces, cities, precincts, and districts failed to fulfill the expected norm for the 1983-84 2-year period. This was due mainly to the failure to pay serious attention to guiding the campaign by the party committee and

administrative echelons of these localities, which at times, indiscriminately assigned this task to the local promotion committees.

The conference also examined and settled a number of motions put forth by various sectors, mass organizations, and localities and decided to conclude the 1983-84 2-year drive to promote the purchase of government bonds on 31 December 1984.

While waiting for specific plans and norms from the central level, all localities should actively launch a drive to promote the purchase of government bond among the people during and after the lunar new year festival.

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## AGRICULTURE

### GRAIN DELIVERY IN NORTHERN PROVINCES REPORTED

BK291358 Hanoi Domestic Service in Vietnamese 1430 GMT 28 Jan 85

[Text] In the north, as of late 1984, 11 provinces and municipalities--Quang Ninh, Thanh Hoa, Hai Hung, Nghe Tinh, Hanoi, Binh Tri Thien, Ha Son Binh, Ha Bac, Vinh Phu, Haiphong, and Thai Binh--55 districts, and 1,019 agricultural cooperatives had overfulfilled the 1984 10th-month grain procurement plan, raising to 91.9 the percentage of the total procurement target fulfilled in all of northern Vietnam for the 10th-month crop.

In the delta, midland, and former Zone 4 provinces, despite the losses caused by typhoons, floods, insects, and diseases in some areas, the gross grain production generally still equaled or exceeded last year's. Various provinces are recalculating the results of production work and reexamining norms, especially those applied in the collection of agricultural and service taxes and in the supply of nitrate fertilizer under two-way contracts, so as to continue collecting taxes to fulfill the planned targets.

Meanwhile, the mountain provinces, with the exception of Quang Ninh, have fulfilled 101 percent of the total grain delivery target. Other provinces, however, are still slow in delivering grain to the state granary. The amount of grain still to be delivered by the mountain provinces remains fairly large. The localities concerned should bring into full play the results of their production efforts in the current crop to accelerate the tempo of grain delivery. The grain and financial sectors should reexamine the norms of agricultural tax and give timely tax exemption or reduction privileges, according to the law, to the embattled border areas. In those areas where the price of grain is low, the purchase of grain at agreed-upon prices may be broadened. Aside from paddy procurement, attention must be paid to the procurement of subsidiary food crop products and to motivating the peasants to harvest and process cassava. Favorable conditions should be created for those provinces currently delivering cassava to the delta provinces to deliver their products quickly and in full, according to plan.

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